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Senate

The Senate met at 10 a.m. and was called to order by the Honorable CHRISTOPHER A. COONS, a Senator from the State of Delaware.

PRAYER

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

Let us pray.

Lord God Almighty, the Psalmist tells us, ''You have been our dwelling place throughout all generations. Before the mountains were born or You brought forth the Earth and the world, from everlasting to everlasting to everlasting, You are God!''

On this first day of spring, we applaud Your creative genius and relish the beauty of this land. We are so thankful for Your love and grace.

Lord, we depend on You to make known to our Nation's leaders Your plan to prosper us and to give us a future and a hope. Move in Your mighty power and restore in our Senators a faith in the wisdom of Your Word. Inspire and equip them to seek Your wisdom and to pray for Your favor as we align ourselves with Your perfect will.

Restore faith to the fearful, joy to the broken-hearted, and comfort to the afflicted. We pray in Your great Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable CHRISTOPHER A. COONS led the Pledge of Allegiance as follows:

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

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 20, 2012.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable CHRISTOPHER A. COONS, a Senator from the State of Delaware, to perform the duties of the Chair.

DANIEL K. INOUYE,
President pro tempore.

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

RECOGNITION OF THE MAJORITY LEADER

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

SCHEDULE

Mr. REID. Mr. President, every morning I go out to do my exercise. This morning I started out the door and there was a crash of thunder and lightning, so I decided to do my exercise inside. When I got into the gym, I could watch TV and I could see these storms in another part of the country—really violent storms. When I got back to my house, my wife indicated that Senator SCHUMER called. They were stuck on the tarmac in New York, so I knew at that time we were going to have some problems here with scheduling.

Following leader remarks this morning, there will be a period of morning business for 1 hour, with Republicans controlling the first half and the majority controlling the final half. Following morning business, the Senate will begin consideration of H.R. 3606, the capital formation bill. The filing deadline for all second-degree amendments to the Reid substitute and the Cantwell amendment is 11 o'clock today.

ORDER OF PROCEDURE

The reason I am mentioning the storm situation is the votes we had scheduled for 11:30 today are going to have to be moved to this afternoon, because we have a number of people who can't be here, through no fault of their own. So I ask unanimous consent that the cloture votes that are currently scheduled to occur at 11:30 now begin at 4 p.m. this afternoon; that if cloture is invoked on an amendment or the bill, postcloture time be counted as if cloture were invoked at 12 noon today; and that the recess at 12:30 be until 2:15 to accommodate the weekly caucus meetings.

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

Mr. REID. The official photograph was expected to be today. We will try to do it later this afternoon. We will put everybody on notice about that, and I will consult with the Republican leader about the votes and about the other matters we are going to have to reschedule.

MEASURE PLACED ON THE CALENDAR—S. 2204

Mr. REID. Mr. President, I ask unanimous consent that there be a second reading of S. 2204.

The ACTING PRESIDENT pro tempore. The clerk will read the bill by title for the second time.

The legislative clerk read as follows:

A bill (S. 2204), to eliminate unnecessary tax subsidies and promote renewable energy and energy conservation.

Mr. REID. Mr. President, I object to any further proceedings on this bill at this time.

The ACTING PRESIDENT pro tempore. Objection is heard. The bill will be placed on the calendar.

EXPORT-IMPORT BANK

Mr. REID. Mr. President, for many years now the Ex-Im Bank, which is referred to as the Export-Import Bank, has helped American companies grow

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

and sell their products overseas. For those same years the Ex-Im Bank has enjoyed broad bipartisan support. It was a good idea when it started and it is still a good idea.

When it was last authorized in 2006, the Ex-Im Bank passed the House by voice vote and the Senate by unanimous consent. The unanimous consent request was offered by a Republican Senator. So when Senate Democrats brought the reauthorization of the Ex-Im Bank before the Senate last week, we hoped the legislation would proceed with bipartisan, bicameral support as it did in 2006. After all, the measure will support about 300,000 jobs annually and help American exports continue to compete in the global economy. It passed the Banking Committee here in the Senate unanimously. It had three Republican cosponsors and is backed by the National Association of Manufacturers, the Business Round Table, the U.S. Chamber of Commerce, and various labor unions, including Machinists. It will actually reduce the deficit by $1 billion.

The Ex-Im Bank is one of the proposals we shouldn't have to argue over. This isn't something that deserves a fight. We should reauthorize it and move on quickly. But I am sorry to say, true to form, the Republican leadership—I am directing that to the House Republican leadership—this morning is once again spoiling for a fight where there shouldn't be a fight. Yesterday House Majority Leader CANTOR called this bill that we are dealing with here to reauthorize the Ex-Im Bank a ''partisan amendment.''

This bill is cosponsored by the ranking member of the Banking Committee, RICHARD SHELBY. Senator SHELBY has been the chairman of that committee; he is now the ranking member. It is tough to call anything Senator SHELBY puts his name on with a Democrat as partisan.

CANTOR claimed this noncontroversial, commonsense measure is derailing efforts to pass the IPO bill that will expand innovators' access to capital. It is simply not true. Leader CANTOR should check with his Senate colleagues. Many of them understand American exporters need access to Federal financing to stay on a level playing field with global competitors.

Yesterday the senior Senator from South Carolina, LINDSEY GRAHAM, said without the Ex-Im Bank, ''Our ability to grow in South Carolina is nonexistent.'' In 2011, South Carolina exporters sold more than $130 million worth of goods abroad, thanks to Ex-Im Bank financing.

South Carolina is not the only State relying on the bank to keep business thriving. Nevada companies exported $33 million of their products last year, thanks to financing from the Export-Import Bank. In 2011, in the Presiding Officer's State of Delaware, the Ex-Im Bank made it possible for firms to sell more than $39 million worth of goods overseas.

Last year, the Ex-Im Bank supported 300,000 jobs across 49 States and 2,000 cities in America.

China already provides more investment capital to its exporters than the United States, Canada, Germany, and Great Britain combined, as Senator GRAHAM said during his call yesterday. We had a conference call with people concerned about this legislation. So we cannot allow that gulf to widen.

The U.S. Chamber of Commerce says: ''Failure to reauthorize Ex-Im would amount to America's unilateral disarmament in the face of other nations' aggressive trade finance programs.''

I don't know if ERIC CANTOR has looked at this legislation. What is he talking about? Why does he want to fight about this? Can't we do anything with the Republican-dominated House of Representatives, working together?

The Chamber of Commerce said we do have a choice: We can compete or we can cooperate. We can engage in yet another unnecessary, unproductive battle—and CANTOR is picking a fight, but we are not going to. He has challenged us to a fight. We are not going to fight because this is bipartisan legislation—or we can work together to help American businesses grow and hire. That is what we are going to do. The choice should not be difficult. We do not want a fight.

The Senate will vote on this reasonable proposal today. Almost 300,000 Americans had jobs last year—I repeat—because of this important legislation. I hope those workers come first as Republican colleagues cast their votes today.

RESERVATION OF LEADER TIME

Mr. REID. Mr. President, will the Chair announce the business of the day?

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

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will be in a period of morning business for 1 hour, with Senators permitted to speak therein for up to 20 minutes each, with the time equally divided and controlled between the two leaders or their designees, with the Republicans controlling the first half and the majority controlling the second half.

The Senator from Nebraska.

ORDER OF PROCEDURE

Mr. JOHANNS. Mr. President, I ask unanimous consent to engage in a colloquy with my colleagues Senator PORTMAN and Senator COBURN.

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

HEALTH CARE REFORM

Mr. JOHANNS. Mr. President, we rise today to engage in a colloquy on an issue that is certainly front and center and has been for a long time in our great Nation, and that is the issue of the health care bill. This bill is hurting working Americans and small businesses, and they are the lifeblood of our economy.

Let me, if I might, talk about a company from Nebraska: Toba, Inc. Toba is located in Grand Island, NE. They are a food distributor in central Nebraska. They employ about 200 to 300 people, depending on the time of the year. It is companies such as this that are the heart and soul of the Nebraska economy.

Tony Wald is the chief executive officer of Toba. He shared with me not long ago that their health care premiums recently increased by 26 percent. Tony's insurance agency talked to him. Of course, Tony wanted to know: What is going on here? What is wrong? Well, the insurance agent said to Tony there were several provisions in the health care law that were the reason for the increase.

Let me put this in perspective. That 26-percent increase is an extra $188,000 increase that ultimately falls in the laps of the employees of Toba. Hundreds of working Americans will see their premiums go up as a result of this health care law.

Let me point out something that is very obvious. That is a broken promise. Then-Candidate Obama promised that Americans would see their premiums decrease—decrease—by $2,500 by the end of his first term in office. Well, that has not been the reality. This health care law drives up premiums and Toba is a perfect example of that.

But I need not stop there. Let me talk about Yellow Van Cleaning and Restoration Services in Kearney, NE, just down the road a bit from Grand Island. This small business employs 48 people. The owner is a fine gentleman by the name of Dave Keiter. He believes he has positioned his company correctly to grow it. In fact, some recent market research that was done shows his company is poised for growth. They have done all of the right things to take this small business and lay the right foundation so they can grow.

Dave was faced with a tough choice—a choice not caused by his competitors, a choice not caused by a bad economy. He was faced with a tough choice caused by President Barack Obama and Democrats in the House and Senate who passed the health care bill. What is his tough choice? He had to choose not to expand because he will run smack-dab into the employer mandate if he grows his business.

You see, this mandate requires that employers with at least 50 full-time employees offer government-approved health insurance to their employees or pay a fine of $2,000 per employee. Dave did the calculation on this—a small

business, with tight profit margins, doing everything they can to make the right decisions. Dave's calculation indicates he will be penalized more than $50,000 a year if he grows beyond his current 48-member staff.

There is no doubt about it. This law is stifling job creation. Not only does this law prevent jobs from being created, it is forcing businesses to actually eliminate jobs.

An Iowa-based insurance company recently decided to exit the individual insurance market, abandoning sales directly to individuals and families. So what happens? Thirty-five thousand policyholders lose that insurance through that company. But it does not stop there. Mr. President, 110 employees will lose their jobs—70 in Nebraska.

A driving factor is the medical loss ratio provision in the law which micromanages how insurance companies spend their revenues. The CEO of the insurance company said job loss was ''a fairly predictable consequence of the regulation.''

These are not hypothetical situations. Before the law was passed, I came to the floor many times with my colleagues and pointed out the flaws in this ill-conceived legislation. Now we are telling real stories, real-life stories and talking about real people who have lost their jobs and are being impacted by this ill-advised law.

There is more. While I can directly point out that 70 Nebraskans lose their job, the Congressional Budget Office says the new law will mean 800,000 fewer jobs over the next decade.

Similar to Yellow Van Cleaning in Kearney, NE, other businesses are holding off on hiring. In a recent Gallup survey, 48 percent of small businesses are not hiring because of the potential cost of health insurance under the health care law.

Financial sector analysts at UBS have stated that the law is ''arguably the biggest impediment to hiring, particularly hiring of less skilled workers.'' Those are the people who need the jobs most.

The Congressional Budget Office estimates average premiums will increase by 27 to 30 percent under this law largely because the new health care law's coverage mandates will force premiums up.

It is no wonder Toba in Grand Island, NE, is seeing its health care costs go up by a staggering $188,000 per year. The Medicare Actuary says this law will increase health care spending by $311 billion over the next 10 years. Two years have passed and things are only getting worse. This law is suffocating job growth around the country.

Let me, if I might, now turn to my colleagues. I have a question, if I might start with Senator PORTMAN.

Senator PORTMAN joins me on the floor and I appreciate that. I know the Senator has a unique perspective because he has served as the Director of the Office of Management and Budget. Does the Senator see this law increasing costs in his home State? Is it straining job creators as we are seeing in Nebraska?

Mr. PORTMAN. I say to my colleague from Nebraska, I am afraid the answer is yes. It is increasing costs and, therefore, making us less competitive. When we increase the costs of doing business, of course, it impacts the economy. The Senator has laid this out very well. I appreciate the Senator's comments this morning.

The Senator talked about the 800,000 jobs that are projected to be lost, and that is probably a conservative figure, given the information I am getting from back home and what the Senator just talked about. The Senator talked about the fact that premiums are going to increase dramatically—27 to 30 percent.

Since the Senator mentioned the Office of Management and Budget, I will also say this is about our businesses and their ability to create jobs and get this economy moving. It is about all of us as families and consumers having higher costs. It is also about our Federal budget deficit. We have an expert on that in Dr. COBURN, who will speak in a moment. But the point is, this is increasing costs to all of us in various ways, and the budget deficit is already at record levels—a $15 trillion debt. Our country, obviously, is awash in red ink, and one of the reasons, of course, is higher health care costs. So this is impacting us in a lot of different ways.

Let me address the Senator's question more directly, though, and that is in terms of the impact on business. I will tell the Senator, I have visited over 100 factories in Ohio in the last few years, and in every one I asked this question: What is going on with taxes and regulations and energy and health care? I have not been to a business yet that has not told me their health care cost increases over the past couple years have added to the uncertainty, the unpredictability, and, therefore, the lack of investment into jobs and growth.

I went to a factory in Cleveland, OH, one day, and this is a relatively small business. It is actually seeing its sales increase a little bit. The owner said: Rob, I would like to hire people, but I want to offer health care. Everybody here has health care, which is great. Those costs embedded in adding a new employee are too high; they are prohibitive. So what I am doing instead is I am going to overtime, I am going to part time to avoid hiring a full-time worker.

Luckily, I was there with some members of the media, and they were able to hear this directly from this individual who is making a decision about whether to hire somebody in Ohio during this weak recovery. The health care law and the health care cost increases are directly impacting that. So it is for real.

The U.S. Chamber of Commerce did a study recently, as the Senator knows. This was just a couple months ago. They asked small businesses with fewer than 500 employees all around America: How does this impact you? Seventy-four percent of them say the recent health care law makes it harder for their business to hire more employees. Fifty-two percent of them say economic uncertainty is one of the top reasons they are not hiring. Thirty-six percent say uncertainty about what Washington will do next is one of their two top reasons they are not hiring. Thirty percent say they are not hiring because of the requirements in the health care bill.

This is not just anecdotal evidence we are picking up in our States as we go around and talk to employers. This is information that is out there for the public to see. I hope all the activity that is surrounding this 2-year anniversary of the passage of this law from the Democratic side and from our side will rekindle this debate because, clearly, we did not get it right. We did not affect the fundamental problem, which is the cost of health care rising to the point that it is affecting us as consumers and families. It is affecting our ability to get this economy moving. It is affecting our budget deficit in such dramatic ways.

Doug Holtz-Eakin, who was the former head of the Congressional Budget Office, testified last year. I thought it was interesting what he said. As you know, the health care reform law says, if someone is an employer with more than 50 employees, they have to offer full-time employees coverage or pay a $2,000 penalty per worker. He made an interesting point. I see this around Ohio with these small businesses that have maybe 30, 40 workers, and they are hoping to be able to add more. He said—and I think he is right—this creates ''a tremendous impediment to expansion.'' His example was: Let's say a company does not offer health care benefits and they have under 50 employees and they want to add another full-time employee. They take it up to 51 employees—a $2,000-per-worker penalty, after subtracting the first 30 workers. The fine to hire an additional worker would be $42,000, for that one worker to be added marginally to its workforce.

So businesses have to offset that lost revenue. The burden will be borne, as Doug Holtz-Eakin said, by whom? The workers, with lower wages, fewer jobs, fewer hours to be worked, less job growth.

The Senator talked about the many taxes in this legislation, and the overall burden of the taxation on the economy is one of the problems with it, but there is also a very specific tax on medical device companies, and this is one that I know affects both of the Senators' States. It certainly affects Ohio. We have a lot of very innovative medical device companies in Ohio, and they tell me they are going to have to cut back on their workforce because of this new tax that is in the health care bill.

So think about this. At a time when we are all proposing we do more on

science and technology and math and engineering, the STEM programs, we are trying to encourage more innovation in this country to be able to compete globally, medical device businesses in Ohio and around our country have been able to be strong and we have been able to compete globally and we should be doing all we can to encourage them and to help them. Instead, we are doing the opposite.

There is a 2.3-percent medical device excise tax in this legislation, and it is going to hit next year. They are already planning for it. It is not a 2.3-percent tax on profits. That is what you would expect, right? It is a tax on revenues. So we could have a young startup entrepreneur who says: I am starting this company even though it is a loss leader the first couple years. I am not making any money. But I know I have a great idea, and I am going to continue to stretch this out to be able to create something of great value for our health care, for the quality of health care, to be able to save lives. Yet I have no profit. So I probably will not be taxed, right? Guess what. They are going to be taxed. They are going to be taxed on their revenue.

Established companies that do have some profit—they are looking at big taxes on their revenues, particularly if they are doing well. There are a couple companies in Ohio and around the country that have already told us what they are going to do.

Let me give you an example. Last year, I visited Mound Laser and Photonics Center outside Dayton, OH. They provide services to the medical device industry—fabrication. They do very technical work. They have machinists there who are specializing in medical device manufacturing. They provide machining services to the device industry.

The CEO is a friend of mine, Dr. Larry Dosser. He told me when I was there—he said: Look, this could be devastating to our business—this 2.3 percent excise tax—because these are our customers. Unfortunately, he has just told me he is going to have to start laying off people. On January 1, 2012—a couple months ago—they laid off people for the first time in their history. It is a 16-year-old company. It is an up-and-coming company. They are adding people every year. Because of this medical device tax, they are having to plan for higher taxes, therefore, a hit to their revenues, and they are starting to lay off people already.

There are other examples. Meridian Bioscience is in Cincinnati. I visited there. I talked to the workers, I talked to the management, and they tell me flat out: This is going to cost us tens of millions of dollars, and this is going to result in us laying off workers. They are not sure if it is 40 workers or 80 workers, but it is an up-and-coming company in our area that is doing the right things, creating jobs and opportunity and creating devices that will, in this case, by the way, also improve the quality and lower the costs of health care. That is what they specialize in—diagnostic services that the Senator, as a doctor, understands, Dr. COBURN, can be incredibly helpful in getting health care costs down.

There are others. Stryker Corporation just announced its intention to lay off 5 percent of its workforce in anticipation of the implementation of this tax at the beginning of next year.

This is what is happening. There is a better way. There is a way to reduce costs and increase competition in health care to make it more patient centered. You all have been leaders in that. We have laid out alternatives. We are not saying the health care system was perfect before this legislation was drafted—not at all. Of course, it needs to be improved and reformed and it can be. It can be done in a way that both improves quality and improves the ability of people to have access by adding transparency and adding competition and adding the value of quality and outcomes rather than just input and volume to reduce costs in our system.

We have to do that. If we do not do that, this law will continue to affect our economy negatively. One reason we have the weakest recovery since the Great Depression is because of the impact of health care, and this law has made it worse, not better.

I thank the Senator for letting me come by to talk about this issue. I look forward to the continuing dialog.

Mr. JOHANNS. I thank Senator PORTMAN. The Senator has made so many excellent points.

I believe if we look at the people who have spoken about this legislation, before and after its passage, one would be hard-pressed to find anyone who speaks with greater authority than Dr. TOM COBURN, who is a Member of the Senate.

I would ask Dr. COBURN to weigh in on this health care bill. He has talked through the years so often about what this health care bill is doing to medicine, the impact it is going to have on patients, the impact on the economy, the impact on jobs. I would like the Senator to talk to us today about what he is seeing as we are literally on the time of the second anniversary and tell us how this is panning out. It has been the law now for a couple of years. What is the reality of this legislation?

Mr. COBURN. I, thank the Senator. The reality is we are committing malpractice. Let me describe what I mean by that. In medicine, when a patient comes in, listening is a very important aspect. In fact, there is the axiom in medicine that if you listen to your patient, they will tell you what is wrong with them, completely. The more time you spend, the more effective you are at gaining it. The reason that is the axiom in medicine is because you do not want to treat symptoms of a disease, you want to treat the real disease.

All of America recognizes that we had some difficulties in being competitive and also with access in terms of health care. We know our health care is good, but it is too expensive. As a matter of fact, it is more expensive than anywhere in the world. But we do know some things about that. We know one out of three dollars we spend in health care in this country does not help anybody. It does not help them get well. It does not keep them from getting sick.

The problem with the Affordable Care Act is that it almost always treats the symptoms rather than the underlying disease. Let me give some examples. I have practiced medicine. I have been a physician for almost 30 years. When I have a contract with a private insurer, they are going to renew that contract in the next year on whether or not I am efficient and effective in taking care of people who have insurance with them. There is no motivation at all in the Medicare Act.

The underlying problem with our $2.6 trillion is that we all think somebody else is paying for our health care. So I am a practicing physician. I have no motivation not to spend Medicare dollars and avoid the axiom of listening to the patient because maybe the short-term remuneration for my services is low, so I need to see more people. So we have addressed the symptoms of the disease but not the real disease.

The real disease is that we, on both the purchasing and providing side, are not responsible with the available dollars in our economy. When we always assume someone else is paying for it, we cannot get there. We do not have the right incentives. Consequently, when we treat symptoms we actually make it worse.

What are we seeing? What we are going to see is the government jump between the doctor and the patient to make the symptoms worse. We are going to have an IPAB board, which is not coming yet, but it is coming. We are going to have an innovation board—not patients, not doctors—not patients making these decisions but somebody in Washington making the decisions. So the very capability of utilizing that one axiom of medicine, having the freedom to listen to the patient and then acting on what we heard rather than acting on the basis of rules and regulations coming out of an autonomous nonpersonal body in Washington that is going to tell us what we are going to do.

Let me give a great example. In the Affordable Care Act is the money and the incentive to put everything online. Now, by itself that sounds smart. What do the first studies show on the basis of that? The first studies show that when a doctor has online available diagnostic tests versus the doctors who do not, they order 18 percent more tests then the doctors who do not.

In other words, if something is easy to do, we do more of it, and so here is the first—this just came out 2 weeks ago—the first set, when people were looking at radiographic tests such as

CTs, MRIs, CAT scans, chest x-rays, ultrasounds, they get the results. They get the results faster. Without the patient being there, without reading them, they automatically order 18 percent more tests.

Well, our problem in our country was we were ordering too many tests. We have all of the incentives to order tests rather than listen to the patient, and now we set up a system where we are going to order more tests. That is what the first study shows. We are going to give hundreds of millions of dollars to doctors to have an IT system put in their offices so we have an electronic medical record. Well, what are we seeing from the first examples of that? Other than in isolated cases where it is a very refined product, such as Mayo Clinic or Cleveland Clinic or even at the VA, what do we find? People fill out the paperwork, check the boxes, but they do not check it in relationship to the patient. So when the next person looks at the electronic medical record, they do not look at all of the garbage that is there that does not mean anything—but, oh, it might because there is too much information now in terms of the computer screen.

So what is happening? We are doing duplicate things that were not done before. So the impact of the health care bill—just in terms of taxes, does anybody think health insurance premiums are not going to rise enough to offset whatever the increased cost is for the medical loss ratio? They are going to make money. Businesses are going to make money. So if we put a medical loss ratio at 15 percent, what is going to happen is they are going to live within that, but the premiums are going to go up so they can do what they need to do.

Blue Cross-Blue Shield Oklahoma knows my practice parameters. They know what I am good at, what I am efficient at, and what I am not. They are not going to give up that knowledge of whether or not I should be doing a test by simply saying the Federal Government put in a medical loss ratio. They are going to raise premium prices, which we are already seeing in Oklahoma.

So when we continue to treat symptoms instead of the underlying disease, we do not solve a problem; we actually make the problem worse. That is why you get sued as a physician when you miss a diagnosis of a disease, and what I will tell you is Americans are at ''disease'' about health care in our country. But we have committed malpractice in our approach to it because we are treating the symptoms and not the underlying disease.

Mr. JOHANNS. Let me express my appreciation, but let me also follow up with a question because I think it is important. The Senator mentioned IPAB. This was a little-discussed provision, although the Senator kept pointing it out. Talk about the powers of this group and where you think it is leading.

Mr. COBURN. The IPAB stands for the Independent Payment Advisory Board. They are a group of individuals who will decide what we pay for and what we do not pay for in terms of health care. They will also decide how much we pay.

Once those 15 people are in place, if they are wrong, people will have no ability to challenge it in court. They have no ability to see their work product and why they decided on what they did. They have no ability to cut off their funding. In other words, they are an autonomous nondemocratic function whose whole goal will be to control costs.

Well, there are lots of ways to control cost. I call it the ''sovietization'' of the American medical industry. They are going to control costs. Well, we know how that works. We have already seen it. It is called NICE in England, and we are seeing a revolt. As a matter of fact, in England today they are talking about reforming their health care system and going in the opposite direction of what we are doing because what they know is the rationing of care based on a value of 1 year of life per individual is the way they make that decision.

So if Senator JOHANNS is 78 years old and has a broken hip and bad diabetes and bad heart disease, they look at the value of what his life expectancy is with that and then the cost of fixing his hip. They say: You are not worth it. So in England they do not fix your hip. Well, that is called rationing.

The fact is it is not bad by the word; it is a loss of liberty. It means people no longer have the ability to decide themselves what will happen to them, and somebody autonomously, very distant from them, makes the decision for them.

IPAB is not the worst—the innovation council. What will not happen that the innovation will not allow to happen? I have a story of a patient—and I will just give an example. Not IPAB, not innovation, but we are also going to have the Preventive Services Task Force that is going to make recommendations on screening.

I want to give an example. This is a true story. I will not use her name, but a young lady came to me with a breast lump. I did the standard protocol, best practices on her. It showed to be a simple cyst, and the point I am making is about the art of medicine, not the science of medicine because everybody gets hung up on the science, but nobody ever talks about the art.

I had an uncomfortable feeling about this cyst. So I aspirated it. It was inflammatory carcinoma of the breast. In other words, had I followed the protocols that are going to be recommended by IPAB and the best practices, I would have never aspirated it.

Well, this patient is now dead. But she lived 12 years. A delay in diagnosis on inflammatory carcinoma would have given her less than a year to live. Because I did not follow what the standard protocol was but followed my history and my knowledge of the patient and my feeling, I diagnosed her early. She got to see her kids get married; she got to see a grandchild. That never would have happened.

So what is coming with IPAB and the Preventive Services Task Force is people making decisions that are not in the room with the doctor and the patient, and that is the biggest danger of the Affordable Care Act: that we are going to take the ability of patients and doctors to make choices and give that choice to a government bureaucrat.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. JOHANNS. We yield the floor, and 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. 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.

AFFORDABLE CARE ACT

Mrs. MURRAY. Mr. President, 2 years ago health insurance companies could deny women care due to so-called preexisting conditions, such as pregnancy or being a victim of domestic violence. Two years ago women were permitted to be legally discriminated against when it came to insurance premiums and were often paying more for coverage than men. Two years ago women did not have access to the full range of recommended preventive care, such as mammograms or contraception and more. Two years ago the insurance companies had all the leverage, and too often it was women who were paying the price.

Mr. President, that is why I am proud to come to the floor today, 2 years after we passed the Affordable Care Act, to highlight just how far we have come when it comes to making sure women across America get the care they need at a cost they can afford. Because of this law, women will be treated fairly when it comes to health care costs. Deductibles and other expenses will be capped so a health care crisis doesn't cause a family to lose their home or their life savings. Preventive care will be free, so women never have to delay care because they can't afford to see a doctor. Because of this law women will have more options. They can use health care exchanges to pick quality plans that work for them and for their families. And if they change jobs or move, they will be able to keep their coverage. Because of this law maternity care is now covered and women won't have to skip prenatal care because they can't afford it. Because of this law women are now in charge of their health care, not their insurance companies. That is why I feel very

strongly that we cannot go back to the way things were. While we can never stop working to make improvements, we owe it to the women of America to make progress and not allow the clock to be rolled back on their health care needs.

I know some of my Republican colleagues are furiously working to undo all of the gains we have made in the health care reform law for women and for their families. I am disappointed but I am hardly surprised. Republicans have been waging war on women's health since the moment they came into power. After they campaigned across the country on a platform of jobs and the economy, the first three bills they introduced in the House were each direct attacks on women's health care in America. The very first bill they introduced, H.R. 1, would have totally eliminated Title X funding for family planning and teenage pregnancy prevention, and it included an amendment that would have completely defunded Planned Parenthood and cut off support for the millions of women in this country who count on it. Another opening round of their bills would have permanently codified the Hyde amendment and the DC abortion ban, and the original version of their bill didn't even include an exception for the health of the mother. Finally, they introduced a bill right away that would have rolled back every single one of the gains I just talked about in the Affordable Care Act.

This law is a winner for women, it is a winner for men and for children and for our health care system overall. So I am proud to stand here today with so many of my colleagues who are committed to making sure the benefits of this law do not get taken away from the women of America. We will keep fighting attempts to take them away, and I am confident we will win.

EXPORT-IMPORT BANK

Mr. President, while I am on the floor today, I also would like to rise to express my strong support for an amendment that will be considered today which will grow American jobs, help small businesses, generate revenue for taxpayers, and which has strong bipartisan backing.

It is no secret that foreign countries are aggressively trying to seize the global market, and America needs to keep fighting back with a program that works for businesses and taxpayers and does create thousands of jobs. The Export-Import Bank is one of the most important resources America has to keep up this fight. For over 75 years the Ex-Im Bank has supported job-creating U.S. exports by helping American businesses sell to the world. No one knows this better than businesses in my home State of Washington—the largest exporter in the Nation per capita—where one in three jobs in my State is tied to international trade. Reauthorizing the Ex-Im Bank means more than 150 Washington State businesses that rely on this financing to sell their products overseas can keep their jobs here at home.

At a time when our competitors in the global marketplace provide far more aggressive export credit financing to companies within their borders, the Ex-Im Bank simply levels the playing field for U.S. companies that sell goods overseas. And the Ex-Im Bank helps create U.S. jobs and does not add to our deficit.

U.S. exports have been a bright spot in America's road to recovery, increasing by about 20 percent over the last 2 years and driving about half of all of our economic growth. Given the obvious need for exports to power economic growth, it would be negligent to pull the plug on the Ex-Im Bank. If we do not pass this bill by the end of this month, thousands of jobs will be at risk, not just from our exporters but from businesses large and small across the country.

Reauthorizing the Export-Import Bank would not only be a short-term victory for our exporters, it would also tell our trading partners that the United States is a stable place to do business and that we stand behind our products and our companies. So I urge a ''yes'' vote on that amendment when it comes to the floor later.

Mr. President, I yield the floor, and 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.

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

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

JOBS ACT

Mr. REED. Mr. President, I rise again today to discuss H.R. 3606, the so-called JOBS Act. As chair of the Subcommittee on Securities, Insurance, and Investment, I want all of my colleagues to know that this legislation, as it is currently drafted, is fundamentally flawed. We need to stop, slow down, carefully amend this legislation, and send something to the President that will not only encourage capital formation, but also protect investors.

I am not alone in my analysis. Some of the most sophisticated security analysts, experts, and commentators in the country are telling the Senate to slow down and work to improve it. We have received letters or testimony or comments from SEC Chairman Mary Schapiro; SEC Commissioner Luis Aguilar; the North American Securities Administrators Association; former SEC Chairman Arthur Levitt; former SEC Chief Accountant Lynn Turner; AARP; Americans for Financial Reform; the Consumer Federation of America; the Council of Institutional Investors; the National Association of Consumer Advocates; Public Citizen; U.S. PIRG; the AFL–CIO; AFSCME; the National Education Association; the American Institute of CPAs; the CFA Institute; and the Main Street Alliance, just to name a few of the broad spectrum of experts who feel this bill is, as they say, not ready for prime time.

In an op-ed in the Washington Post on March 14, two Harvard securities professors, John Coates and Robert Pozen, stated:

> [T]his bill does more than trim regulatory fat; parts of it cut into muscle. Small businesses will have a harder time raising capital if investors do not receive sufficient disclosures or other legal protections.

In his ''Motley Fool'' column on March 19, Ilan Moscovitz states that there are four really problematic things about the JOBS Act. And, as we all recognize, ''Motley Fool'' is one of the most perceptive in its columns about the securities markets, analyzing the securities markets from many different perspectives. They point out some of the fairly significant faults in the House bill. In sum, they say the legislation as currently written would exempt 90 percent of current IPOs from important corporate governance and accounting requirements because it defines ''small companies'' as anything valued below $700 million and earning less than $1 billion in annual revenues.

Those aren't exactly small companies, and those companies can in fact and should in fact be following the procedures we have laid out in order for a company to go public.

Our amendment recognizes the need to provide more streamlined processes for smaller IPOs, but we restrict these streamlined procedures to companies with less than $350 million in annual revenues, much closer to the notion of a small company beginning the process of becoming a publicly held entity.

There is also a problem in this legislation with accounting. When investors lose faith in accounting standards, they are less willing to buy stocks. In fact, one of the great strengths of our security markets is the feeling that your money is well protected. It is scrutinized; there are accountants; there are audits. If we lose that, then the investing public worldwide will say the United States is not the place to put their money. Our amendment does not interfere with independent accounting standards, and limits the number of companies that get exempted from accounting rules.

There is another big issue in the House bill. It contains a provision that would increase the number of investors who could own shares in private companies, and excludes employees from the count. That has some merit. But by counting shareholders of record instead of the beneficial shareholders—there is a legal owner on the books of the company, but that legal owner may represent thousands of actual owners. The beneficial owners are the ones who get the dividends, the ones who get the right to vote on the shares—if we preserve this loophole going forward, this

could potentially create a situation where an unlimited number of investors could be involved in a company and that company would still be able to remain private and not have to provide periodic reports under the Exchange Act.

Last year, for example, Goldman Sachs planned to create a special-purpose vehicle, basically a fund that could pool money from its clients, that would count as only one holder of record in Facebook. You can see how this could clearly circumvent the notion of how necessary it is to provide the reporting requirements for large companies, companies with a large shareholder basis. Our bill eliminates this loophole by clarifying that recordholders must be beneficial owners, while at the same time raising the shareholder cap from 500 to 750, to make it more contemporaneous. But we exempt employees from this recordholder trigger for public registration, and that will allow private companies that want to remain private, but want to reward their employees with shares to stock, the ability to do so without triggering the public reporting requirements.

Finally, the House bill sets up a new mechanism for crowdfunding. This is a very interesting concept. My colleagues Senator MERKLEY, Senator BENNET, and Senator BROWN of Massachusetts have worked very hard in developing a crowdfunding bill much superior to what is included in the House version. In fact, the House version has been described by a noted securities expert as ''the boiler room legalization act'' for its very lax approach to crowdfunding.

Our amendment requires crowdfunding to be conducted through regulated intermediaries, and provides for basic disclosure requirements, aggregate caps, and other protections to ensure market integrity, and prevent abuse.

The House bill also removes important prohibitions against general solicitation and advertising in regard to private placements that have been on the books for decades. Recognizing that in a world of Internet and Twitter, even private communications with accredited investors about private offerings can be inadvertently broadly disseminated, our bill takes a much more targeted approach to this issue. In our amendment, we allow for limited public solicitation and advertising through ways and means approved by the SEC, so they have a chance to update mechanisms for communicating with investors in this age of Twitter, Internet, and other new media. We believe this amendment gives the SEC the tools it needs to formulate limited exemptions to the general solicitation and advertising rules, allowing private offerings to still remain private.

There is another section of the House bill that deals with the reg A exemption. Reg A has been on the books of the Securities Exchange Commission, again, for decades. It currently allows an exemption for certain registration requirements for mini-offerings of $5 million or less. The House bill proposes to raise the ceiling for this exemption to $50 million, but they do so in a way that could open it up to abuse, allowing companies to avoid rules and reporting requirements for public companies. We limit companies to raising no more than this $50 million amount every 3 years, truly aiming our provisions at the small companies that are trying to raise capital without triggering all of the requirements of a publicly held company. We also require that a basic set of audited financial statements be filed with the offering statement and require periodic disclosures of material information to investors.

Let me stress what the House bill is proposing. They are proposing to legalize the solicitation of $50 million a year from retail investors—in fact, it could be $50 million every year—without requiring audited financial statements be provided to potential investors. If you go to a bank to get a loan for your business, they are going to require audited financials. I think, at a minimum, you need to provide audited financial statements if you are soliciting $50 million a year from the public and, in fact, that $50 million could be for successive years.

Finally, this whole discussion about the House bill has been cast in terms of jobs. There is not a lot in the House bill that talks about jobs, particularly jobs in America. There is no requirement that any of these relaxations of the securities laws be correlated with job increases. There is no requirement in the House bill that these jobs be in the United States.

We have just come through a series of enforcement actions in which the SEC had to crack down on reverse mergers by Chinese companies that were taking over American shell companies, putting their money in, and then going ahead and using the benefits of access to our stock markets. Most of those companies' jobs were not here, nor was the intention to create those jobs here. Those are the types of risks we run in the House bill.

Our bill includes reauthorization of the Export-Import Bank, which is something that has already demonstrated its ability to support American jobs. We have also included provisions that Senator SNOWE and Senator LANDRIEU have included from the Small Business Committee that will increase the SBA's ability to assist American companies—small American businesses. They have done this successfully. With these provisions, they can do more. Our bill actually does help with jobs—jobs here in the United States.

One of the premises behind this House legislation is if we deregulate, the jobs will come right back. Where have we heard that before? All through the 2000s: Just deregulate. Those investment banks such as Lehman don't need regulations. Just give them a lot of leverage and let them run. And they ran—right off the cliff. We don't want to repeat that again. We don't want to repeat the mistakes of the 1990s and 2000s, where we allowed analysts of securities to recommend securities sold by their own investment banking firm. Those provisions are included in the House bill. That is going to undermine the markets.

We should learn from the facts. I urge all of my colleagues to support the Reed-Landrieu-Levin amendment as a base text. We can make improvements on that. We can send a bill—we hope very quickly in collaboration with the House—to the President that not only stimulates capital formation but also protects investors. We can send a bill that learns from the lessons of the last 20 years where, in the guise of deregulation, in the hope for job creation, we saw the greatest financial crisis since the Great Depression. We don't want to see this happen again.

Mr. President, I yield the floor.

ORDER OF PROCEDURE

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. GRAHAM. Would the President let me know when 10 minutes has passed?

The PRESIDING OFFICER. The Republican time has expired.

Mr. GRAHAM. I ask unanimous consent to be recognized for 10 minutes.

Mr. PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Reserving the right to object, was there a consent entered into on speaking order earlier?

Mr. GRAHAM. They told me to come at 11:10 is all I know.

Mr. HARKIN. I was told to come at 11:00. I think it is fair to go back and forth. I ask unanimous consent that the Senator from Iowa be recognized to speak after the Senator from South Carolina.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from South Carolina is recognized for 5 minutes.

EXPORT-IMPORT BANK

Mr. GRAHAM. Mr. President, this is a defining moment for the Senate in a couple of ways. The Democratic Senators have an alternative to the House-passed JOBS bill that will get a vote on their alternative. That is good. I believe the House-passed JOBS bill had overwhelming bipartisan support. It is a good document. I will support that version over my Senate Democratic colleagues. But let me tell you what our Senate Democratic colleagues have done that I think is very constructive.

Ex-Im Bank is trying to be made part of the JOBS bill in the Senate. This Export-Import Bank, what does this mean? This is a financing ability by American companies that are selling overseas in volatile or emerging markets. It is a financing system that has

been available since 1934. If you are going to try to sell a product made in America to a place in the world where traditional banking is hard to obtain, you can go to the Ex-Im Bank and they will give a letter of credit, they will sometimes give a direct loan to people who want to buy American products. The bank itself made $3.5 billion for the taxpayer I think since 2005 and 2006.

Here is the reality: Every country we compete with has their version of Ex-Im Bank. We financed $32 billion worth of American-made products sold overseas through our Ex-Im system last year. Canada, one-tenth our size, financed $100 billion. France has three Ex-Im Banks. China has more Ex-Im activity than the United States, France, and Germany combined. Every country American manufacturing competes with that produces products has their version of Ex-Im Bank.

At the end of May, our Ex-Im Bank's authorization runs out. Our loan limits run out a few weeks earlier. This would be devastating. Small companies throughout this country depend on the Ex-Im Bank in order to sell American-made products overseas.

Let me give you one good example that has been the topic of conversation. Boeing Aircraft makes airplanes in America, the 787 Dreamliner. It was voted the best new airplane in a long time here recently, something that Boeing is proud of. They make it in Washington and now in South Carolina. The first airplane to be made in South Carolina will roll out in about a month from now. The facility is under budget and ahead of schedule, and we are proud of that airplane.

Eight out of the 10 airplanes being made in South Carolina in the first year were Ex-Im financed. There was a deal between Boeing and Air India where a letter of credit was issued by Ex-Im Bank to allow traditional financing to occur, and Boeing was able to sell a big order of American-made jets to Air India. That is just one example.

GE makes gas turbines to generate power for emerging areas such as Afghanistan, Iraq, the Middle East, Africa. All these distressed areas are going to grow and they are going to need power. One-third of the sales coming out of Greenville, SC, for the gas turbines made in America and creating American jobs goes through Ex-Im financing.

Here is the issue. If America allows our Ex-Im financing system to go away in May, if that is the will of the Congress, then you have destroyed the ability of many companies in this country to grow their business. As the economy has been weak and stagnant here at home, here is the good news: In terms of exports, we have increased our export sales 20 percent.

Imagine an America that could not continue to increase export sales. Imagine a Boeing manufacturer that could never sell an American-made airplane in a volatile or emerging market because China is now making airplanes and Airbus has access to three or four Ex-Im Banks. It would be an ill-conceived idea. This program has been around a long time. It has helped create thousands of jobs in the United States. Everybody we compete with has a more aggressive form of Ex-Im financing than we do.

To my colleagues who want to eliminate this, I don't understand how American business could ever successfully compete in these emerging markets if we unilaterally disarm.

To my Democratic colleagues, thank you for bringing up Ex-Im Bank. To our majority leader, Senator REID, this is a good idea. What is a bad idea is to not let anybody on the Republican side offer one amendment to this bill. Some of the ideas to reform Ex-Im Bank I would agree to. I think any organization, any entity, can be made better. I want to be able to get back to being in a body called the United States Senate, where people with different ideas on important topics can actually vote.

To my colleagues on this side, I may vigorously oppose some of you who decide the Export-Import Bank should go away because I think that would be the worst thing you could do for the American economy, particularly export jobs being created in this country, and it would be unilaterally surrendering in the world marketplace. Whether you like it or not, other countries are Export-Import Bank on steroids. If we just get out of this business, companies like Boeing will be unable to sell their airplanes, and you will shut down facilities such as those in South Carolina—not a very good idea.

At the end of the day, you do have a right to have your say, and we will have the debate and I am looking forward to the debate about what we should or should not do. But under the process we have now, not one amendment can be offered on our side. We have to do better. We had a transportation bill pass with 74 votes. We have had a good exchange here lately with judges. I am very proud of what our minority and majority leader worked out on judges.

I want to get the Senate back to being the Senate. I think Ex-Im reauthorization should be an integral part of any jobs bill. I want to put it in the Senate bill. I will gladly vote for it. There are a bunch of Republicans over here who will support extension of Ex-Im financing with reforms, but none of us want to be put in a situation where our colleagues cannot have a say where they disagree with us or that we cannot reform the bill. That is not the way to go.

I hope that between now and 4 o'clock, the minority leader and the majority leader can find a way to bring up the JOBS bill, allowing it to be amended in an appropriate way and taking votes some of us don't like, but it is part of democracy—have a robust debate on a jobs package that could not come at a better time, and include in that debate Ex-Im reauthorization at a time when America needs more jobs here at home.

The economy here at home is weak. The one good thing about what is happening here at home is that our export sales have gone up. The way to create export jobs in America is to allow American businesses to compete on a level playing field throughout the world. I wish the world were different. I wish we had completely free markets. Every American business could do fine in that world, but that is not the way it is.

The Ex-Im Bank doesn't cost the taxpayers one dime. It makes money for the Treasury, and it allows American companies to make money. It allows American businesses to be competitive.

I am urging the two leaders of the Senate to allow a jobs bill to come forward, let us have our say, have our differences, let's vote, let's amend, and let's create jobs in America.

I yield the floor.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

JUMPSTART OUR BUSINESS STARTUPS ACT

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of H.R. 3606, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (HR. 3606) to increase American job creation and economic growth by improving access to public capital markets for emerging growth companies.

Pending:

Reid (for Reed) amendment No. 1833, in the nature of a substitute.

Reid amendment No. 1834 (to amendment No. 1833), to change the enactment date.

Reid amendment No. 1835 (to amendment No. 1834), of a perfecting nature.

Reid (for Cantwell) amendment No. 1836 (to the language proposed to be stricken by amendment No. 1833), to reauthorize the Export-Import Bank of the United States.

Reid amendment No. 1837 (to amendment No. 1836), to change the enactment date.

Reid motion to recommit the bill to the Committee on Banking, Housing, and Urban Affairs, with instructions, Reid amendment No. 1838, to change the enactment date.

Reid amendment No. 1839 (to (the instructions) amendment No. 1838), of a perfecting nature.

Reid amendment No. 1840 (to amendment No. 1839), of a perfecting nature.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I come to the floor to express my strong disappointment with the so-called small business legislation passed by the House of Representatives which is now coming before the Senate this afternoon for a cloture vote and to express my support for the substitute amendment offered by Senators REED of

Rhode Island, LEVIN, LANDRIEU, and others, of which I am a cosponsor.

Quite simply, there is a right way and a wrong way to address some of the legitimate concerns about the ability of small businesses to access capital. Unfortunately, the House bill is completely the wrong approach. In the name of helping small business, the bill takes a meat ax to the very investor protection laws that have allowed our capital markets to flourish.

On Sunday, March 11, the New York Times published an editorial about the House bill titled ''They Have Very Short Memories.'' This title could not be any more appropriate because in the wake of the dot-com bubble, the Enron corporate accounting scandal, and the 2008 financial crisis, advocates of this bill must have very short memories indeed.

The idea that this is the right time to further weaken regulations on Wall Street is simply unconscionable. As we are continuing to dig out of the worst financial crisis since the Great Depression, which has brought so much pain to hard-working middle-class families, the idea that the solution to what ails our economy is to further deregulate the financial sector and to open the door for fraud and abuse simply makes no sense.

According to a recent report from the Center on Retirement Security at Boston College, financial scams against seniors enabled by the Internet are already on the rise. For this reason, AARP wrote that their ''primary concern is that these bills . . . inadequately protect against the potential harmful impact on investor protections and market integrity.''

Even more, the North American Securities Administrators Association—this is the organization of State securities regulators—said of the House-passed bill:

> By placing unnecessary limits on the ability of State security regulators to protect retail investors from the risks associated with smaller, speculative investments, Congress is poised to enact policies intended to strengthen the economy that will likely have precisely the opposite effect.

''Precisely the opposite effect''—that is from the North American Securities Administrators Association. Who are we listening to around here anyway?

Supporting that view, the AFL–CIO wrote to Congress that ''while the proponents of the 'capital formation' bills claimed they would promote jobs . . . they would actually have the perverse effect of raising the cost of capital for all companies by increasing the risk of fraud.''

Passing the House bill would be a terrible mistake. I remember well the last time we rushed to deregulate the financial sector in the name of creating jobs. I was here in the Senate then. It was in the late 1990s when we passed a bill to repeal the Glass-Steagall Act that was enacted during the Great Depression.

What happened was Glass-Steagall said: If you are an investment bank, you can be an investment bank. If you are a commercial bank, you are a commercial bank. If you are an insurance company, you are an insurance company. But if you are an investment bank, you can't sell insurance. If you are an insurance company, you can't be an investment bank and you can't be in commercial banking.

That worked well for over half a century in our country. During the boom years of the 1950s, the 1960s, the 1970s, into the 1980s, this worked well for our country. All of a sudden, Wall Street got together and said: Wouldn't it be great if we could break down these walls and put this all together? And they came to Congress in the 1990s and put together a bill to get rid of this Glass-Steagall protection.

Then what happened? These huge financial companies, such as Citigroup and AIG, sort of sprung up because now they have insurance—AIG—AIG now becomes a commercial bank and it becomes an investment bank. They get larger and larger, and they get reckless. They take irresponsible risks because while they might have known about insurance, they didn't really know about investment banking. Investment banking may have known about investment banking, but they didn't know a heck of lot about insurance or commercial banking. So we got into this huge irresponsible financial structure, and it plunged the global economy into the worst financial crisis in generations.

I am proud of the fact that I was one of only eight Senators to vote against the deregulation of Glass-Steagall. I tell you, this bill reminds me so much of that. It was ''follow the crowd.'' Everybody was for it. President Clinton was for it. Secretary Rubin was for deregulating Glass-Steagall. Larry Summers—I don't know whether he was with the national Council of Economic Advisers at that time—was for it. Republicans were for it. And it just went through here like greased lightning. Wall Street was for it. Glass-Steagall was old, don't you see. That was old stuff back from the Depression. We needed something new, a new regime out there. As I said, I was one of eight who voted against it, and I spoke against it here on the floor at the time. I said: We are going to regret this. And, boy, did we ever learn to regret what we did in deregulating Glass-Steagall.

I bring this up because Simon Johnson, the former Chief Economist at the International Monetary Fund, the IMF, recently wrote:

> With the so-called jobs bill, Congress is about to make the same kind of mistake again as in the repeal of the Glass-Steagall Act.

I urge my colleagues to take these words seriously. Unless we do this in the right way, future Members of the Senate will be standing right here lamenting the fact of what we did in a hurry to follow the crowd.

Fortunately, there is an alternative way to make the reforms that are necessary to allow small businesses to grow without jeopardizing our financial markets and hurting consumers.

SEC Chairwoman Mary Schapiro wrote in a March 13 letter to Senators JOHNSON and SHELBY:

> I believe there are provisions that should be added or modified to improve investor protections that are worthy of the Senate's consideration.

The substitute amendment offered by Senators REED, LEVIN, and LANDRIEU includes these important reform provisions. Let me list a few of the things the substitute amendment would do.

First, the House bill would allow companies to advertise risky, less regulated, unregistered private offerings to the general public using billboards along the highway, cold calls to senior living centers, or other mass-marketing methods.

Do you know what this means? Let's say an elderly person is living in a senior living center or maybe going there for recreation. All of a sudden they are in a room and a lecture is given to them about how they can take their 401(k) money—maybe they have $100,000—you can take some of your 401(k) and put it into this small start-up, and, guess what, it is going to be like the beginning of Apple Computers or it is going to be the beginning of Microsoft. This is a small company. If you just invested a few hundred dollars, why, you can quadruple your money, probably, in 4 or 5 years.

That is what they can do under the House bill. They can come in with cold calls—anything. The Reed-Landrieu-Levin amendment would allow firms to advertise only to investors with appropriate resources and sophistication to bear the risks.

The House bill would tear down protections put in place after the late-1990s Internet stock bubble burst that prevented conflicts of interest from tainting the quality of the research about companies. We know researchers were involved with the investment bankers doing the initial public offering. They were given all this stuff about how great this was and how much money it was going to make in a short period of time.

What we need is a firewall to keep the investment bankers separate from the researchers. That is what Reed-Landrieu-Levin would do, so there is no conflict of interest there.

The House bill would allow very large companies with up to $1 billion in revenues to offer stock to the public, yet avoid financial transparency and auditing requirements designed to ensure they are not cooking the books.

The Reed-Landrieu-Levin amendment would ensure that essential investor protections apply to large companies by lowering the exemptions to companies with less than $350 million in revenues. That number actually came from the SEC, as sort of a reasonable amount—not $1 billion. That would allow huge companies to not

have to have the auditing requirements, for example, that the SEC requires, or the financial transparency. Think about preying on the public with that. We are a big company. We have up to $1 billion in revenues. You don't have to worry about this. You can invest your money here, and don't worry about auditing and stuff like that, we take care of it ourselves. If we were doing bad things, we would not be so big, right? How many times have we heard that before?

The House bill will allow unregulated Web sites to peddle stocks to ordinary investors without any meaningful oversight or liability, which could give rise to fraud, money laundering, and other risks. That is what is called crowdfunding.

We keep hearing this word ''crowdfunding.'' Whenever I hear that word, I get a little nervous. Whenever the crowd is moving in one direction, you want to ask questions: What is moving the crowd? Why is the crowd moving in that direction? Crowdfunding? The Reed-Landrieu-Levin amendment would protect the integrity of these markets by ensuring that the Web site intermediaries are subject to appropriate levels of oversight. Think about this: Unregulated Web sites can peddle stocks to ordinary investors without any oversight or liability. The House bill would allow extremely large companies with tens of thousands of shareholders to evade the Securities and Exchange Commission oversight. Let me repeat that. The House bill would allow extremely large companies with tens of thousands of shareholders to evade SEC oversight. The Reed-Landrieu-Levin amendment would ensure that banks and other large companies with lots of shareholders are subject to the basic transparency, integrity, and accountability protections.

Right now, under SEC law, if you have over 500 shareholders, you have to go public. And when you go public, you have to be subject to accounting principles, oversight, and transparency by the SEC. The bill raises that to 2,000 shareholders. Yet they can go out there and—I don't know what Facebook has right now, but I don't think they have 2,000 shareholders; maybe, but I don't know. Let's say they have 1,000 or 1,200 shareholders. They can get by without having any real SEC oversight as long as they have less than 2,000 shareholders. Should that be allowed in this economy with all that we know, with what has gone on in the recent past?

In sum, the substitute amendment is vastly better than the House-passed legislation. It protects investors, it protects consumers, it protects our capital markets that allow small businesses to grow. So let's heed the lesson of the last decade; let's take a step back; let's pause before rushing to deregulate our economy and Wall Street even further. Previous acts of Congress to deregulate our markets in the hope of spurring economic growth may have helped Wall Street, and a lot of people in the last 10 years made a lot of money on Wall Street. You know what. They still have their money. They have taken that money and they bought other things, and now they are sitting pretty. Yet homeowners and average ordinary Americans have lost their shirts in this economy in the last 10 years. But the people who engineered these new devices, these new kinds of derivatives, who worked to do away with Glass-Steagall, made a lot of money on Wall Street.

I can tell you that if the bill passes without the Reed-Landrieu-Levin amendment, you are going to see a new flourish of activity on Wall Street. A lot of Wall Street bankers and a lot of people will make a lot more money. And you know what. A few years from now we are going to hear all kinds of stories about elderly people or people about to retire who have 401(k)s who got sucked into investing someplace without any real knowledge of what the business was, not to mention other people who maybe went on their Web site and were lured into investing a few dollars—$100, $200, $500. You say, well, they lost it. They didn't lose much. But if you add that up, it is thousands and thousands of Americans. It may be a small loss to each individual person, but the money gained by this so-called startup company—that may go under in a year or less—the people who started the company walk away with the money. We are going to be hearing stories about that in the next 5 to 10 years if this bill passes.

Again, Wall Street made out like bandits in the last 10 years, but for the rest of America it was the worst economic crisis in generations.

I close by saying the Senate should not follow the crowd. The House rushed this through without any real due diligence, but isn't the purpose of the Senate to cool and slow it down? Let's take a close look at it.

I urge my colleagues to oppose the House measure and support the substitute amendment when it comes to the floor later today for a vote. Let's not repeat the mistakes of the past.

I yield the floor.

The PRESIDING OFFICER (Mr. TESTER). The Senator from Louisiana.

Ms. LANDRIEU. Mr. President, let me begin by thanking Senator HARKIN for his excellent statement and, as usual, his very good judgment on an issue that the Senate is going to be voting on at 4 p.m. and 5 p.m. today as opposed to 20 minutes from now, because this issue needs more debate, and the Senator from Iowa raised some very important questions that need to be answered. I want to start by thanking the Senator for raising the issues that are so important for us as we consider this House bill that was—in your words, and I will add—rushed over to the Senate.

I spoke to BARNEY FRANK yesterday, a very respected Democratic Member, and he assured me we were actually doing the right thing by slowing this down.

Mr. HARKIN. I thank my colleague from Louisiana for her leadership on this issue. We are all busy around here. We have our issues that we look at. I have other issues in my committee that I am so focused on now that I had not really paid attention to this until the Senator from Louisiana brought it up last week, and then I began to ask myself: What is this all about? The more I looked into it, the more devastating I found this piece of legislation that came from the House.

I thank the Senator from Louisiana for having the foresight, courage, and determination to make sure we are all aware of what this legislation does. And, quite frankly, I commend the Senator from Louisiana for slowing this down. Since last week, I have talked to other Senators who had not really focused on it either. We have other responsibilities and duties, but the Chair of the Small Business Committee focused on this, and I thank the Chair for her great leadership on this issue. I hope we can adopt the substitute amendment to this bill later today.

Ms. LANDRIEU. Through the Chair, I thank the Senator from Iowa.

I also recognize the Senator from Oregon, who is on the floor, who has had such an impact on helping us to focus on the details of this bill that was rammed through the House and was on a fast track to get approved over here. As I have said many times, I am not opposed to the underlying concepts of this bill, which will broaden the opportunity for average people to have some excellent opportunities for investments to help them increase wealth. We on our side of the aisle are not opposed to increasing wealth. We want to make sure that basic investor protections are in the bill, and they are absent from the House bill.

We are not talking about mom-and-pop operations when you are talking about companies with revenues of $1 billion. The Senator from Iowa is well aware, as is the Senator from Oregon, of mom-and-pop operations. We have them in our States. We have mom-and-pop farmers, office supply companies, shoe repair companies, even substantial businesses. There are families who own three and four and five restaurants. We are very familiar with that. But under no circumstance would those companies meet the $1 billion in sales, so we are not talking about small business. That is why, as the Chair of Small Business, I am here to say there is nothing small about this bill. This is about big business getting out from underneath regulations that we spent decades trying to put into place for good reason.

Did we not just have a financial meltdown on Wall Street? Did I miss a chapter in this saga? Didn't we just pull ourselves up from the brink of international financial collapse started not by Korea, not by Japan, not by

China, but by the United States of America with our inability to properly regulate our financial system? Didn't we just almost bring the world economy to a halt? Did I miss this? So this little innocuous bill flies over here from the House with a fancy name talking about jobs, and because we are all desperate to create more jobs—we understand our people need more jobs. We understand that government has a role in creating jobs, of course, with the private sector. We know that the policies we drive here, whether it is tax policy or regulatory policy or whether we say this is legal and this isn't, have a real impact on job creation. We look at the title of the bill, it says jobs, and we cannot wait to vote for it. But if we are not careful and we pass the House bill on this subject without an amendment, it will not create jobs, it will kill jobs.

As the Chair of the Small Business Committee, I have to say I don't think any Member has stood on this floor longer or spoken more directly to the issue of getting capital into the hands of business than I have. So I hope I have developed, on both sides of the aisle, some credibility to say: Yes, we want to open capital opportunities to business, but we must have investor protections. If not, we will set ourselves backward several decades as opposed to forward, and that is not what we want to do.

I rise to urge Members to consider voting for the substitute that Senator REED, the ranking member on banking, Senator LEVIN, the chairman of the investigative committee who has done extraordinary work rooting out fraud and corruption, a long-serving, well-respected member of this caucus—obviously the senior Senator from Michigan is more concerned about jobs than any of us. He has lost more jobs—well, probably per capita except potentially for the State of California. So why would he be joining us in opposing a jobs bill? Because he knows what I know, what Senator REED knows, what Senator MERKLEY knows, what Senator HARKIN knows—and those who have taken the time to review the bill—that on its surface it looks good, but even the Chair of the SEC has cautioned us not to vote for the bill as it stands, and also says it can be fixed. It can be amended, but we need to oppose cloture so we don't end the debate but we begin the debate and then get to a position which the leadership can most certainly get us to where appropriate amendments could be offered.

I am saying: Please don't let the word ''jobs'' in the House bill—which sounds so enticing—fool you. In reality this is less about job creation than it is about rolling back key protections for investors. Unfortunately, I have to say that I think there is a little election year politics at play from both the White House's perspective and the Republican caucus that saw this as a good way to position themselves for the election.

Look, I have been guilty of doing that myself. Nobody is perfect around here, but there is a time when you do something like that that it is called to your attention and you say: I am sorry, I shouldn't have done it, and this is the right way to go. And that is what we need to do now.

As Sir Francis Bacon said over 400 years ago: Knowledge is power. The more knowledge we have about this bill will give us the power to advocate against it.

I am here again to tell my colleagues the more you will learn about this runaway freight train, the more red flags are being waved. Red flags are waving because of the unintended consequences of the House bill for investors, small businesses, and our economy in general. That is why Senator JACK REED, Senator CARL LEVIN, Senator MERKLEY, and others have been down here now for days encouraging Senators to review the bill, go back and talk with your staff. Please allow us some time to make some serious changes.

Now, even if my colleagues can't believe me on these issues, I most certainly hope my colleagues can believe the Bloomberg report. The Bloomberg report comments that have been made—Bloomberg is a very widely read, very reputable wire service and newspaper now, and, of course, they have other interests as well that comment daily on the financial markets of the world. It is one of the most respected sources. They have basically editorialized against the House bill.

Why would they do that? Let me read my colleagues what the Bloomberg editorial said a few days ago. They said:

> [T]he JOBS Act simply goes too far. It would gut many of the investor protections established just a decade ago in Sarbanes-Oxley. A wave of accounting scandals—think Enron and WorldCom—have destroyed the nest eggs of millions of Americans and upended investor confidence in Wall Street. The relief would extend beyond small businesses and apply to more than 90 percent of companies that go public.

At a time when we are trying to build investor confidence, to build our economy, and to create jobs, we are about ready to exempt 90 percent of the companies that are going public from full disclosure? I am the sponsor of the amendment that tried to exempt small companies from these regulations—companies of $50 million or $100 million in sales. That would cover every mom and pop known to man. But the House bill exempts companies up to $1 billion in revenues from full public disclosure. Is this what we want to do at a time when we are just regaining investor confidence? I don't think so.

Bloomberg says to put on the brakes:

> At the center of the package is a new class of emerging growth companies, defined as those with as much as $1 billion in annual revenue, which would be exempt from a host of disclosure, reporting and governance rules. These companies would be able to operate up to 5 years without an independent test of their internal controls—the checks and balances that help companies prevent outright fraud and costly accounting mistakes.

It goes on to say:

> Emerging companies would also be able to promote public offerings with less-than-complete information by ''testing the waters'' with fancy PowerPoint slides and other pre-IPO materials. Executives wouldn't be held accountable for any misrepresentations.

I say to my colleagues, what are we thinking? We are not. We have to put on our thinking caps. Let's amend this House bill.

The bill from the House did not even go through our Banking Committee. Had the bill gone through the Banking Committee, had it been under the watchful eye of some of our Democrats and Republicans on the Banking Committee, and had the bill come out of the Banking Committee with a Democratic and Republican vote—or even with the majority of Republicans and one or two or three Democrats—this Senator would not be standing here because this is not my jurisdiction. I am not on the Banking Committee. I am the chair of the Small Business Committee. I would honor the work of the Banking Committee, and I would have simply said I don't necessarily agree with the bill; I will just vote no. But the bill didn't even go through the Banking Committee. It just flew right here to the Senate floor because somebody wants a bumper sticker for their next campaign.

AARP doesn't think the bumper sticker is a good one because they have come out against it because many of the people who got their bank accounts down to zero were the elderly, the people who can least afford this kind of scam and fraud on Wall Street, let alone on Main Street. They are the ones who saw their 401(k)s go down from $300,000, which took them their whole lives to save, to $50,000. How do we think they feel? That is why AARP has come out against the House bill.

I am sure there are some people saying this is just Democrats wanting to regulate everything and not allow capitalism to thrive. Nothing could be further from the truth. I have spent my whole time trying to create jobs and opportunity for small businesses in America that represent 27 million businesses, and 20 million of them are independent operators and 7 million are classified as small businesses below 500 employees. I know them pretty well. I have worked with them very closely. Many of them are Main Street alliances against this bill, small business alliances, and the chamber of commerce has even expressed some concern about the House bill.

We are creating jobs. This is what the President inherited: a freefall of job loss in this Nation. This is what he inherited when he became President in the early part of 2009. He was elected in 2008, but he didn't take office until January 2009. He walked to the captain's chair and sat down after the ship had hit the iceberg, not before. He has

battled with us mightily to move these numbers to where we can see jobs being created. The last thing we need to do is to stop this, and the House bill, without investor protections, absolutely has the possibility of doing just that.

Time and time again, I have stood right here on the Senate floor fighting with my colleagues to increase access to capital for America's job creators. I support adding capital and directing it or helping it to be directed to better places, to make the process more democratic.

I understand the system has been basically set up for those who go to the high and mighty Ivy League schools, who join the same clubs, whose families socialize together for years and years. I understand the rules have been written for that group. I would like to write them for everyone, and I am attempting to do that. But we have to write and expand those rules with the right protections, and they are not present in the House bill.

I am a Democrat who used to love what President Clinton would say: Our job is to create more millionaires in America, not less. I am proud of the book ''The Millionaire Next Door,'' which says most millionaires in America aren't people who inherited their money but people who worked hard for it because of our system. I am proud of that. I have spent my life helping to build it. I am for people getting rich, for people making money. But we have to write these rules fairly or it is the poor people, it is the middle class, it is the people who didn't go to the Ivy League schools who don't have the right insider information who are going to be led down the Primrose path.

So let's be careful. Let's not support the House bill as it has come over here. We scrambled—and I mean the word ''scrambled''—last week to try to put a substitute together, and that substitute has my name on it. It has Senator JACK REED first, my name second, Senator LEVIN third, and a group of others who have joined us.

Our substitute is not perfect either. I hope our substitute can get 60 votes and that we can amend a few things the SEC has brought to our attention since we were kind of on a tight timeframe to get something to the leadership. I would rather be more careful with the work I submit to the Senate, but we were under a tight timeframe, and even our bill has to be amended.

I am asking my colleagues, if they can't vote for our bill, which is the substitute bill, then please do not provide cloture to the House bill either. Let's take a few days. We are not asking for weeks. I am not even trying to kill the House bill. I am simply trying to amend it so it works for people who can't go to Harvard and can't go to Stanford and can't go to some of these Ivy League schools; that it works for people who are going to some community colleges and to schools in their States, middle-class families who want to participate in the great American dream and would like to invest in these new rules and regulations on the Internet, to invest in companies that have potential. But, please, let's give them, the investor, protections they deserve.

One more thing and I will turn it over to the Senator from Oregon. I wish to say this to the community bankers: You may have some others who support you on this floor, but I don't think you have anybody who does as strongly as I support community bankers. There is a provision in this bill that expands your shareholders from the cap of 500 shareholders that was put there in 1960. In our bill, the substitute, we move it up to 750 shareholders. I am willing to go back up to the House number of 2,000 because banks are regulated. They are overregulated community banks, in my view. So I am willing to extend that to 2,000 shareholders.

BARNEY FRANK agrees with that. I have talked to Senate Democrats, and they agree with that. Please don't put your political might in supporting the House bill just because you have your number in there that you want because you will, in my view, undermine investor confidence in this new way we are trying to help people, called crowdfunding on the Internet. We will take care of your issue. I have it in my sights. I know it is important to you, and if you give us time we can try to fix that.

I thank the Senator from Oregon for joining me. He is truly an expert on this particular subject, and he can add some more detail to what I have tried to explain, and we will be happy to answer any questions our colleagues have about this underlying issue which is so important.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. MERKLEY. Mr. President, I rise today to ask my colleagues to give serious consideration to a major piece of legislation that is a crowdfunding amendment introduced by Senator BENNET and myself and has the support of Senator LANDRIEU, Senator BROWN, and a number of others. I thank Senator LANDRIEU for the points she has been making and for her fierce advocacy for creating a highway for Americans to build wealth without creating avenues that essentially send people into either blind alleys or over a cliff.

That is what this conversation is all about today. We want to enable aspiring entrepreneurs to access capital and to do so in ways that allow new opportunities to create, but to make sure investors have the information they need to make reasonable choices.

The amendment I am introducing specifically is a crowdfunding amendment. My colleagues have probably heard this term a number of times. It enables aspiring entrepreneurs to access investment capital via the Internet from small dollar investors across America. This is very exciting stuff. We have seen some similar Internet models. One model, for example, enables individuals across America to look at projects—projects for art and civics, projects across the country—and say: Yes, I want to make a small dollar investment—which is truly, in this case, a donation—to that social project, to that art project. Such a site is kickstarter.com. So on the site is a list of projects, and then people can go in and decide what they want to support to help make it happen. Whereas in the past, someone who wanted to do a documentary film might have had to seek out some substantial dollars, some large dollar funders, now they can go to kickstarter.com, present their project, and possibly raise the capital they need from thousands of small dollar donors.

For instance, in 2010, a filmmaker raised $345,000 to make a documentary about jazz from a pool of 3,000 donors, most of whom donated $100 or less. We also have peer-to-peer lending on the Internet where folks can say this is what they would like to borrow money for, and people can get on and say, yes, they will lend that money.

But what we do not have is a process in which companies can list themselves on the Internet and say: Do you want to invest in my company? Here is my dream. I am going to make a better coffee shop. I am going to make a small wedding cake company. Do you want to invest in my vision, in my dream? Here are the details.

Folks can get on and join and help create that startup capital or create the capital for a small business to expand.

So that is what crowdfunding is. It is parallel to these other efforts. What we have in the House bill is basically a provision which says: No rules. Do whatever you want.

Now, unfortunately, that does not work. It does not work because if we do not require the company to give information about their company, if we do not provide rules that require accountability for the accuracy of that information, then what we are simply doing is saying here is a Web site where predators can put up a fictitious story about what they want to do, make it as exciting as possible, and run away with people's money—no consequences; pay themselves a salary, dump out the money. The House bill requires no information. If folks do put up information, it does not require that information to be accurate. It legalizes predatory scams. It says people can list and close in a single day.

So for those who say: Well, information will get out in some kind of miraculous manner, there will not be the time to get it out because a predator can put up their false story, collect the donations, close the investment in a single day, and walk away, having scammed thousands of Americans out of their hard-earned cash. So we need basic rules of the road.

The possibility for capital formation through the Internet through

crowdfunding is enormous. In 2011, Americans had invested $17 trillion in retirement funds. Imagine if 1 percent of those investments went into crowdfunding. The result would be $170 billion of investment in our startups and small businesses. That is extraordinarily powerful—more powerful than loans to small businesses across this country. So it has huge potential.

So a small business or startup company would provide basic financial information and vouch for the accuracy of this information. The company would explain its vision of how it is going to invest that money. The projects might range from small- to medium-sized. A small wedding cake company might want to buy an industrial oven. Another company might want to seek a new manufacturing line. And the crowd—that is all of us—surfing the Internet would visit the portal, review the financials, review the vision, and say: I want to be part of that, I am going to invest, and here is the percent of the company I get in return.

The key to this is that the companies provide accurate information; otherwise, as I have described, we simply pave the path for predatory tactics. That would destroy the reputation of crowdfunding. That would destroy the ability to create a powerful capital formation market through the Internet.

The amendment we are presenting does three things: It streamlines the process for setting up a crowdfunding portal; it streamlines the process for companies to list themselves on that portal; and it provides basic investor protections, the most important of which is to provide basic information about the company and for the company's officers and directors to ensure the accuracy of that information.

Let's examine each of the three of these in turn. First, the streamlined registration for Web sites that offer crowdfunding. Our amendment provides two pathways: The first pathway is for a portal to register as a broker-dealer. The second is a streamlined funding portal registration. These portals agree to provide a neutral market environment; that is, they do not solicit purchases, they do not offer investment advice, and they do not handle investor funds. They operate a marketplace, much as the New York Stock Exchange operates a marketplace without recommending particular stocks.

It also creates a unified national framework; otherwise, the portal would have to deal with rules from 50 States. That is an untenable structure. So we create a unified national structure for a portal to thrive in.

Now, turning to the second piece, which is the streamlined process for companies to register, the amendment allows existing small businesses and startup companies to raise up to $1 million per year. That is a substantial amount for a small business. It also provides flexibility in how a company would do this. A company could basically say: Here is our target. If the target is met, the investment closes.

So if they say: I am seeking $550,000 to do X, when Americans across the country have put forward enough small investments to reach that goal of $550,000, the investment would close. But it also allows, if investors decide they are offering more—maybe folks sign up, and they are so excited about this vision, this product, this invention, this strategy, that they say: I am putting up $750,000, even though you only asked for $550,000—it would still enable the small company to say: No, we can use that extra $200,000, thank you very much, if they should choose to do so.

It also provides a very important provision so the small investors do not count against the shareholder number that drives companies to have to become a fully public company. That is critical and interrelates with other parts of the crowd formation bill before us.

Then, turning to the third area, basic rules of the road to protect investors and ensure the accuracy of information companies post, companies participating in this marketplace must disclose their basic financial information: a business plan, a target offering amount, and the intended use.

The Web sites are subject to oversight by the SEC and security regulators of their principal States. There are aggregate annual caps. This is a key predatory protection to prevent pump-and-dump schemes. If you have seen the movie ''Boiler Room,'' you will know what I am talking about, where folks were set to pump up a stock, and the only folks trading it were those who kind of received special information. Then, as soon as they invested—normally they are investing, buying the stock owned by the folks who are doing the pumping—the whole thing collapsed afterwards and their investment was worthless.

So this is an essential part of making sure we establish a responsible marketplace that will succeed in being a foundation for capital formation.

Also, we get rid of this 1-day, list-and-close process. So there is a 21-day period—a very small amount of time in the course of raising capital to create a startup or to advance a small business—21 days, which allows for the opportunity for the sort of oversight that a portal can provide or the SEC can provide to stop known bad actors and fraudsters.

Finally, the officers and directors are accountable for the accuracy of the information. This is essential. Without this sort of accountability, every fraudster out there will spin out a story and try to raise money for their schemes. But by holding them accountable for the accuracy of the information, it says to them: No, I cannot do that. I can be held accountable.

This is exactly the right balance because it provides a due diligence safe harbor. It requires that any information in dispute be material. So it does not put the officers and directors at risk. It simply says, when they provide material information they have to do appropriate due diligence to make sure it is accurate.

Crowdfunding has enormous potential to bring more Americans than ever into the exciting process of powering up startups and expanding small businesses. I hope in the course of the consideration of the capital formation bill before us, we will have a chance to present a variety of amendments, including this crowdfunding amendment.

I certainly encourage my colleagues to listen very carefully to the points Senator LANDRIEU has been making, Senator JACK REED has been making, Senator DURBIN has been making. The point is this: Let's take and make a powerful tool work. Let's not, however, take and destroy a powerful tool by opening it to all kinds of predatory schemes and scams.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana.

Ms. LANDRIEU. Mr. President, I would like to wrap up my comments in about 5 minutes. I see the Senator from Delaware on the Senate floor. He may choose to speak.

I thank the Senator from Oregon for his comments. I think it is telling—very telling, actually—that this is a Tuesday afternoon at 12:10, and normally when there is a bill that is popular on the Senate floor, there are lots of people who come down to speak for it. I understand not one person yet has shown up this morning to speak for the House bill we are going to be voting on today.

I caution the Democrats to raise your awareness. That is highly unusual. Usually, if a bill is well thought through and is popular and can stand on its merit, there are any number of people on the floor speaking for it. The only people who have come to the floor are those of us warning you to read the bill, to reconsider your position, to not be lured by the title—JOBS bill, JOBS bill—but to read the bill and realize there are some far-reaching regulation elimination portions of this bill that are not going to be good for the small businesses described by the Senator from Oregon or the small businesses we advocate for, both Republicans and Democrats, on the Small Business Committee.

Just at a time when investor confidence is increasing, where jobs are being created in the country, why would we go to such a far-reaching bill?

Let me start with statements that have been made just in the last 24 hours. I have quoted from Bloomberg, AARP, the chamber of commerce from last week and over the weekend. Today is Tuesday. These are things that have come in just in the last 24 hours.

Steve Pearlstein of the Washington Post from March 18:

What we also know from painful experience—from the mortgage and credit bubble, from Enron, WorldCom and the tech and telecom bubble, from the savings-and-loan

crisis and the junk bond scandal and generations of penny-stock scandals—is that financial markets are incapable of self-regulation. In fact, they are prone to just about every type of market failure listed in the economics textbooks.

Regulation is necessary.

I am here to say we need to reduce regulations on community banks that are now heavily regulated by the new Sarbanes-Oxley, by their own State regulators. I am approving and supporting reducing regulations to bankers in this important legislation. That is not the issue.

The issue is what the Senator from Oregon spoke about: the new developing opportunities for the Internet to be used as a powerful tool to raise money for ideas, for businesses.

We can see this tremendous revolution occurring before our eyes. It does not mean that needs the same regulations as the old-fashioned financial models. But we do need some regulations. What we are saying is that the House bill goes too far.

Listen to what Floyd Norris of the New York Times said:

> It gives some flavor of just how far the House bill goes that one of the changes the three senators are pushing would force a company trying to raise money from the public to show investors an audited balance sheet.

One of our amendments is for investors to provide an audited balance sheet. In the House bill we are considering, they can provide their own documentation—not audited by anyone, made up. Then there are no consequences. There are no safeguards—or very few safeguards—in the House bill.

I have quoted Bloomberg now many times. Again, the terrific Bloomberg News editorial:

> [T]he JOBS Act goes too far. It would gut many of the investor protections established just a decade ago in the 2002 Sarbanes-Oxley law. A wave of accounting scandals—think Enron and WorldCom—had destroyed the nest eggs of millions of Americans and upended investor confidence in Wall Street. The relief would extend beyond small businesses and apply to more than 90 percent of companies that go public.

John P. Mello, Jr., wrote in PC World on March 18:

> During the go-go days of the dot-com era, it was common for analysts to promote IPOs being offered by their investment bank masters, regardless of the worth of the offering.
>
> The existing rules, which would be scrapped by the JOBS Act now before the U.S. Senate, were designed to protect investors from the conflicts of interest that damaged the IPO market after the pop of the dot-com bubble, damage from which it has only recently recovered.

Let's not jump back into the briar patch. We are just getting ourselves untangled from it. What is the rush? This bill from the House has not even gone through the Banking Committee. We have spent a decade arguing about Sarbanes-Oxley. We had multiple hearings. We had multiple debates on the floor. We had people come and testify, pro or con. Whether you are for it, it passed with lots of public debate. I know there are some people who still think those regulations are too onerous.

Yes, we are trying to relax them where we can. But a blanket exception for companies up to $1 billion in revenue, I think that is going a little too far, a little too fast. We have senior citizens to give some guidance and protection to. We have the middle class that is struggling from this recession. They depend on us to set the rules of the road.

This is not about Big Brother, Big Sister government. People have to make their own choices. But when people make choices on the Internet based on what looks like an official documentation, they assume someone either in their State capital or their National Capital has framed these rules and regulations in a way that gives them a fighting chance.

We do not want to legalize fraud, and that is about what the House bill does. It legalizes pathways to fraud. That is not what we want to do. How we get out of the mess we are in, I am not 100 percent sure. Because we have a substitute on the floor, which is the Reed-Landrieu substitute—I plan to vote for it. If we can get 60 votes, then we can get on debating that bill which is a substitute to the House bill. Perhaps the leadership will allow us to amend our own substitute, which we would be happy to do. I think we could come to some agreement within less than 2 days about what should be done in the Senate and then send the bill back over to the House for their consideration and then on to the President's desk, a bill we can all be proud of and confident we are trying to do the right thing with this new sort of frontier on Internet investing.

We want to support our entrepreneurs. We want to make this process more democratic. We want to get out of the secret boardrooms and the private conversations on Wall Street. So many more people could take advantage, appropriately, of exciting investments in the entrepreneurial spirit of America. Absolutely we want to do that, but that is not what the House bill does.

So let's take our time. I am urging my colleagues, if they can vote for the substitute and give us cloture on it, we promise we will be open to amendments from both sides. If we do not get cloture—I see the Senator from Delaware—if we do not get cloture, please vote for the Ex-Im Bank amendment, which is a proper amendment to the bill, and then vote no on cloture. We do not want to end this debate today.

Senators will be doing their constituents a great disservice to vote on cloture on that House bill today. We need to fix it. We need to amend it and we can. Then we will have a bill we can all be proud of and at least be confident we have established the right safeguards and that we can be helpful to getting capital to Main Street and increasing opportunities for entrepreneurship in America today.

I thank the Senator from Delaware. He has been so outspoken and comes with such knowledge on these issues. I appreciate his thoughtfulness. I hope he will agree to join me in voting against the House bill and for his support of a new crowdfunding proposal.

I yield the floor

The PRESIDING OFFICER. The Senator from Delaware.

Mr. COONS. Mr. President, I am glad this Chamber is focused on job creation, on access to capital, on ways we can help strengthen the speed and growth of high promise, startup companies. I am grateful for the input and leadership of the Senator from Louisiana, for her hard work in trying to make sure we pay attention to the matter that is before this body and making sure we strike the right balance between continuing to ensure investor protection, while also providing relief from regulations that may hold the promise of accelerating capital formation and job growth in this country.

When I go home to Delaware every night and when I attend events across our State every weekend, I most frequently hear from those deeply affected by our two long recessions, from which we are still growing and recovering, families who are still dealing with unemployment, with loss of their homes or with the threat to loss of their life savings, businesses that are facing a credit crunch and struggling to expand or to retain their employment.

Americans, I have heard over and over, and Delawareans want us to come together and find solutions in this body. The good news is that today, in a rare bipartisan spirit, that is exactly what we are doing. I am glad we are taking up two different versions of this legislation to create a positive climate for capital formation for early stage companies that have enormous potential to grow, one of which has passed overwhelmingly in the House—and I understand has earned the public support of President Obama—but the other of which, as we have heard a number of Democratic Senators speak to today, tries to mirror those same core provisions but insists on investor protection and on ensuring that we do not overreach in opening markets in ways we may regret later.

Sometimes, as the Chair knows all too well, this body deliberates overly long. In fact, in my first year and a half here, I have been struck at just how long we deliberate before acting and on how many measures have sat on the floor without action that should have been taken up promptly and quickly.

In this case, I am concerned about the opposite; that we are rushing through a measure that deserves some careful consideration and review. In any event, making progress in access to capital for entrepreneurs and startup businesses is something on which I hope we can all agree. In both the versions of the bill that we will consider later today or tomorrow, there

are great ideas. I continue to believe that ensuring investor protection, market transparency, and the vibrancy of our capital markets through preventing fraud and ensuring clarity about what investors are getting is a fundamental principle that all of us should share.

But without the right time to consider this legislation, I am worried about the potential, the potential risks for investors, the potential burden it may place on business. I am worried about a proposal around beneficial ownership in one proposal, and I am worried about concerns that may overly open the market to fraudsters and those who would scam investors on the Internet.

There is much to like about these proposals, though, and let me dedicate the remainder of my time to focusing on two of them. Two of the strongest proposals we will consider today or tomorrow address a critical need for our business community, which is access to capital. Capital is what allows businesses to invest in new technology, new facilities, new workers, and in growth. Credit has, as we all know, been far too hard to come by in the last 2 years. But we can and should take action to make it more available to small business owners with high growth potential.

One option, as we have heard a number of Senators address, is to continue to expand the opportunity for financing from the Export-Import Bank. The other is to make somewhat easier the pathway to initial public offerings. Today's legislation would ease both processes. That is the right kind of positive movement that will help create opportunity all over the United States and for companies in my home State of Delaware.

First, if I can, the Export-Import Bank has long established its record of promoting exports and job growth. It has provided essential capital to help manufacturers and small businesses all over the country export more American-made goods. The reauthorization measure we take up, hopefully later today, has passed unanimously out of the Senate Banking Committee and has already enjoyed broad bipartisan support.

Last year, financing from the Ex-Im Bank supported hundreds of jobs in my home State and thousands more across the country. The bank supported one dozen companies in Delaware. For example, one, Air Liquide, has a proprietary MEDAL membrane, a selectively permeable membrane that turns landfill gas into usable energy; one example of many innovative, local Delaware companies creating high-quality jobs in our communities and able to sell these products by export through Ex-Im Bank financing.

Equally important, the Ex-Im Bank has not added a single cent to the deficit. It works to give American businesses a fair share in the global market. If American businesses and workers are going to be competitive, we have to ensure they have the support they need, otherwise they will continue to lose out.

China already provides three to four times as much export financing as we do to help their exporters. Our companies, our manufacturers, our communities, simply ask for a level playing field. In my view, reauthorizing the Ex-Im Bank is especially vital to these companies and our manufacturing sector. Given the realities of the global economy, it is not enough for American companies to just make great products. They also have to be able to sell them to the burgeoning global middle class.

As we all know, 95 percent of current and future customers and consumers live outside the United States. Reaching these consumers who are hungry for American products is essential to the steady growth of businesses of all types. Boosting American exports will be central to creating the kind of growth that will continue to sustain this ongoing economic recovery and allow our businesses to hire new workers.

Financing from Ex-Im can come in at a critical time for businesses in need of capital, but it does not meet the needs of every company. For some other early stage companies, Delaware businesses in particular, when they are in need of capital, one solution is to move toward an initial public offering by becoming a publicly traded company.

Today's legislation also includes an onramp to ease the path to an IPO. By reducing the regulatory burden on highly innovative companies poised for significant growth, we can encourage job creation on a great scale. At the moment, we are simply not seeing the rate of IPOs in our economy that we need to be helpful, and 92 percent of the jobs a company typically creates over its entire life cycle come after it goes public. In the 1990s, nearly half of all global IPOs happened in the United States. Today, that number is less than 10 percent.

There are many reasons companies choose not to go public. But one of them that I have recited repeatedly in Delaware and in Washington is regulatory compliance under Sarbanes-Oxley section 404(b). That is a mouthful, but it essentially requires some auditing, some disclosures, some pre-IPO work, which while the spirit of the law is, in my view, the right one—ensuring transparency and investor protection is the right direction—this particular section has proven, in practice, to be overly burdensome to businesses with potential to be the greatest job creators.

After hearing about this issue many times, I got together last fall with my colleague Senator RUBIO to craft a solution. We found bipartisan agreement on this and six other issues, which we included in our joint legislation, the so-called AGREE Act, which we introduced last November.

That legislation was chock-full of job-creating potential proposals designed to spur ideas and encourage more of our colleagues to come together on this sort of bipartisan jobs legislation we can and should move to.

In the case of encouraging IPOs, that is exactly what has happened. Senators SCHUMER and TOOMEY have also picked up this particular proposal and moved further along with it. Then, on the House side, my longtime friend and fellow Delawarean Congressman CARNEY worked with his Republican colleague Congressman FINCHER to write and pass legislation on this exact issue which has now come to us as part of this bipartisan jobs package, H.R. 3606.

I wish to specifically congratulate Congressman CARNEY, who with this bill became the first freshman Democrat in the House to pass a major piece of legislation. But as we heard Senator LANDRIEU speak to just a few minutes ago and as several Senators have stood on this floor and raised today and last week, the question we have to ask is: In providing this relief from Sarbanes-Oxley 404(b), what is the appropriate level? What is the appropriate duration? Where do we strike the right balance between investor protection and accelerating capital formation and job growth?

Is it at $250 million, as we proposed in the AGREE Act, $350 million as the democratic alternative proposes that is on the floor today or $1 billion? That is what is provided in the bill that came over from the House. In my view and the view of many Democratic Senators, we need to take the time to debate this, discuss it, and ensure we are striking the balance.

It is worth a few more hours of our time to get this matter right. Creating a favorable environment for businesses to create jobs can and should be our top priority in Washington. Since I arrived a year and a half ago, that has not always been the case. But today it can and should be the primary focus of our work. There is no reason we have to rush to pass this today. We can and should take some time to deliberate, to work through the appropriate process. It is my hope we will reauthorize and extend the reach of the Export-Import Bank and that we will move to a consensus, bipartisan bill that will strengthen access to capital for entrepreneurs and for early stage companies and that will show all the people of the United States that the House, the Senate, and the President can and will stand together on the side of job creators in this economy.

RECESS

Mr. COONS. Mr. President, I ask unanimous consent that the Senate recess until 2:15 p.m. today.

There being no objection, the Senate, at 12:31 p.m., recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. WEBB).

MOVING AHEAD FOR PROGRESS IN THE 21ST CENTURY—Continued

The PRESIDING OFFICER. The Senator from North Dakota.

BUDGET CONTROL ACT RESOLUTION

Mr. CONRAD. Mr. President, the Budget Control Act of 2011, which was signed into law by the President last August, set in place budget enforcement measures in the Senate for budget years 2012 and 2013, as well as established caps for 10 years to address discretionary spending and established the so-called supercommittee to address entitlement spending and revenues.

Specifically, to provide continued enforcement in the Senate for 2012 and budget year 2013, section 106(b)(2) requires the chairman of the Budget Committee to file not later than April 15, 2012: (1) allocations for fiscal years 2012 and 2013 for the Committee on Appropriations; (2) allocations for fiscal years 2012, 2013, 2013 through 2017, and 2013 through 2022 for committees other than the Committee on Appropriations; (3) aggregate spending levels for fiscal years 2012 and 2013; (4) aggregate revenue levels for fiscal years 2012, 2013, 2013 through 2017, and 2013 through 2022; and (5) aggregate levels of outlays and revenue for fiscal years 2012, 2013, 2013 through 2017, and 2013 through 2022 for Social Security.

In the case of the Committee on Appropriations, the allocations for 2012 and 2013 shall be set consistent with the discretionary spending limits set forth in the Budget Control Act. Consequently, the initial allocation matches the discretionary levels set in the Budget Control Act and will be revised to reflect adjustments to those levels as authorized by the Budget Control Act.

In the case of allocations for committees other than the Committee on Appropriations and the revenue and Social Security aggregates, the levels shall be set consistent with the Congressional Budget Office's March 2012 baseline. In the case of the spending aggregates for 2012 and 2013, the levels shall be set consistent with the Congressional Budget Office's March 2012 baseline and the discretionary spending limits set forth in the Budget Control Act.

In addition, section 106(c)(2) requires the chairman of the Budget Committee to reset the Senate pay-as-you-go scorecard to zero for all fiscal years and to notify the Senate of this action.

I ask unanimous consent that the following tables detailing enforcement in the Senate for budget year 2013, including new committee allocations, budgetary and Social Security aggregates, and pay-as-you-go scorecard, be printed in the RECORD.

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

BUDGETARY AGGREGATES

[Pursuant to section 106(b)(1)(C) of the Budget Control Act of 2011 and section 311 of the Congressional Budget Act of 1974]

$s in millions	2012	2013	2013–17	2013–22
Spending (on-budget):				
Budget Authority	3,075,731	2,828,030	n/a	n/a
Outlays	3,123,589	2,944,872	n/a	n/a
Revenue (on-budget)	1,899,217	2,293,339	13,871,251	32,472,564

SOCIAL SECURITY LEVELS

[Pursuant to section 106(b)(1)(D) of the Budget Control Act of 2011 and section 311 of the Congressional Budget Act of 1974]

$s in millions	2012	2013	2013–17	2013–22
Outlays	495,077	633,714	3,722,461	8,772,738
Revenue	556,498	675,120	3,872,899	8,925,443

PAY-AS-YOU-GO SCORECARD FOR THE SENATE

[Pursuant to section 106(c)(1) of the Budget Control Act of 2011]

$s in millions	Balances
Fiscal Years 2012 through 2017	0
Fiscal Years 2012 through 2022	0

SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT TO SECTIONS 106(b)(1)(A) AND 106(b)(1)(B) OF THE BUDGET CONTROL ACT OF 2011 AND SECTION 302 OF THE CONGRESSIONAL BUDGET ACT OF 1974—BUDGET YEAR 2012

[In millions of dollars]

Committee	Direct spending legislation		Entitlements funded in annual appropriations acts	
	Budget Authority	Outlays	Budget authority	Outlays
Appropriations:				
Security discretionary budget authority	816,943	n/a		
Nonsecurity discretionary budget authority	363,536	n/a		
General purpose discretionary outlays	n/a	1,320,414		
Memo:				
on-budget	1,174,581	1,314,517		
off-budget	5,898	5,897		
Mandatory	752,574	736,733		
Total	1,933,053	2,057,147		
Agriculture, Nutrition, and Forestry	11,263	12,010	120,963	105,872
Armed Services	141,487	137,506	107	105
Banking, Housing, and Urban Affairs	55,448	53,912	0	0
Commerce, Science, and Transportation	15,068	9,797	1,440	1,374
Energy and Natural Resources	3,620	4,512	445	445
Environment and Public Works	41,734	3,349	0	0
Finance	1,464,370	1,459,722	536,698	536,459
Foreign Relations	30,356	25,956	159	159
Homeland Security and Governmental Affairs	99,262	94,484	9,832	9,832
Judiciary	11,324	12,184	767	762
Health, Education, Labor, and Pensions	−16,581	−3,219	14,497	14,361
Rules and Administration	42	131	26	26
Intelligence	0	0	514	514
Veterans' Affairs	2,477	2,650	67,016	66,714
Indian Affairs	3,159	1,311	0	0
Small Business	1,799	1,799	0	0
Unassigned to Committee	−716,252	−743,765	110	110
TOTAL	3,081,629	3,129,486	752,574	736,733

Note: pursuant to section 106 of the Budget Control Act of 2011, the section 302 allocation to the Committee on Appropriations for 2012 is set consistent with the discretionary spending limits as set forth in the Budget Control Act and in the preview report on discretionary spending limits submitted by the Office of Management and Budget as part of the President's Fiscal Year 2013 Budget of the United States Government. To ensure consistency, for 2012, an offsetting adjustment has been made to "Unassigned to Committee." As such, for purposes of Senate enforcement, the allocations to the Committee on Appropriations and other Committees are set exactly at baseline for 2012.

SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT TO SECTIONS 106(b)(1)(A) AND 106(b)(1)(B) OF THE BUDGET CONTROL ACT OF 2011 AND SECTION 302 OF THE CONGRESSIONAL BUDGET ACT OF 1974—BUDGET YEAR 2013

[In millions of dollars]

Committee	Direct spending legislation		Entitlements funded in annual appropriations acts	
	Budget authority	Outlays	Budget authority	Outlays
Appropriations:				
Security discretionary budget authority	546,000	n/a		
Nonsecurity discretionary budget authority	501,000	n/a		
General purpose discretionary outlays	n/a	1,222,497		
Memo:				
on-budget	1,040,954	1,216,461		
off-budget	6,046	6,036		

SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT TO SECTIONS 106(b)(1)(A) AND 106(b)(1)(B) OF THE BUDGET CONTROL ACT OF 2011 AND SECTION 302 OF THE CONGRESSIONAL BUDGET ACT OF 1974—BUDGET YEAR 2013—Continued

[In millions of dollars]

Committee	Direct spending legislation		Entitlements funded in annual appropriations acts	
	Budget authority	Outlays	Budget authority	Outlays
Mandatory	815,671	802,183		
Total	1,862,671	2,024,680		
Agriculture, Nutrition, and Forestry	13,397	15,126	124,580	111,791
Armed Services	146,698	146,584	110	108
Banking, Housing, and Urban Affairs	22,167	17,455	0	0
Commerce, Science, and Transportation	15,016	10,043	1,423	1,431
Energy and Natural Resources	5,276	5,832	58	58
Environment and Public Works	41,789	3,446	0	0
Finance	1,337,888	1,328,474	590,738	590,431
Foreign Relations	28,640	26,334	159	159
Homeland Security and Governmental Affairs	102,276	98,148	9,834	9,834
Judiciary	18,545	12,964	787	817
Health, Education, Labor, and Pensions	−15,400	−4,136	15,009	14,883
Rules and Administration	41	8	27	27
intelligence	0	0	514	514
Veterans' Affairs	999	1,167	72,319	72,017
Indian Affairs	753	1,060	0	0
Small Business	0	0	0	0
Unassigned to Committee	−746,680	−736,277	113	113
TOTAL	2,834,076	2,950,908	815,671	802,183

SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT TO SECTIONS 106(b)(1)(A) AND 106(b)(1)(B) OF THE BUDGET CONTROL ACT OF 2011 AND SECTION 302 OF THE CONGRESSIONAL BUDGET ACT OF 1974—5-YEAR: 2013–2017

[In millions of dollars]

Committee	Direct spending legislation		Entitlements funded in annual appropriations acts	
	Budget authority	Outlays	Budget authority	Outlays
Agriculture, Nutrition, and Forestry	68,505	69,522	621,798	555,464
Armed Services	785,241	789,181	526	518
Banking, Housing, and Urban Affairs	116,992	22,559	0	0
Commerce, Science, and Transportation	80,462	57,377	8,232	7,987
Energy and Natural Resources	27,448	30,418	290	290
Environment and Public Works	208,452	16,701	0	0
Finance	7,137,214	7,117,022	3,575,357	3,575,244
Foreign Relations	120,995	128,043	795	795
Homeland Security and Governmental Affairs	543,020	525,170	48,890	48,890
Judiciary	60,712	61,114	4,181	4,217
Health, Education, Labor, and Pensions	53,890	75,053	83,049	82,705
Rules and Administration	192	273	146	146
Intelligence	0	0	2,570	2,570
Veterans' Affairs	4,410	5,418	379,554	378,044
Indian Affairs	3,070	4,893	0	0
Small Business	0	0	0	0

SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT TO SECTIONS 106(b)(1)(A) AND 106(b)(1)(B) OF THE BUDGET CONTROL ACT OF 2011 AND SECTION 302 OF THE CONGRESSIONAL BUDGET ACT OF 1974—10-YEAR: 2013–2022

[In millions of dollars]

Committee	Direct spending legislation		Entitlements funded in annual appropriations acts	
	Budget authority	Outlays	Budget authority	Outlays
Agriculture, Nutrition, and Forestry	140,875	1,40,748	1,246,830	1,108,772
Armed Services	1,720,688	1,724,542	1,040	1,022
Banking, Housing, and Urban Affairs	229,617	−10,992	0	0
Commerce, Science, and Transportation	168,316	118,271	18,930	18,302
Energy and Natural Resources	54,432	58,498	580	580
Environment and Public Works	416,410	32,490	0	0
Finance	17,071,487	17,063,729	8,604,008	3,603,595
Foreign Relations	227,925	238,279	1,590	1,590
Homeland Security and Governmental Affairs	1,183,459	1,146,352	94,635	94,635
Judiciary	112,276	114,750	9,087	9,109
Health, Education, Labor, and Pensions	293,935	316,470	194,653	193,975

SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT TO SECTIONS 106(b)(1)(A) AND 106(b)(1)(B) OF THE BUDGET CONTROL ACT OF 2011 AND SECTION 302 OF THE CONGRESSIONAL BUDGET ACT OF 1974—10-YEAR: 2013–2022—Continued

[In millions of dollars]

Committee	Direct spending legislation		Entitlements funded in annual appropriations acts	
	Budget authority	Outlays	Budget authority	Outlays
Rules and Administration	376	442	326	326
Intelligence	0	0	5,140	5,140
Veterans' Affairs	7,047	9,216	806,272	803,252
Indian Affairs	6,493	8,347	0	0
Small Business	0	0	0	0

Mr. CONRAD. Mr. President, I wish to inform my colleagues that this morning I filed the budget deeming resolution for 2013 pursuant to the Budget Control Act passed last year. This resolution sets forth the spending limits for fiscal year 2013 at the levels agreed to by Democrats and Republicans in last summer's Budget Control Act. It allows the appropriations committees to now proceed with their work in drafting bills for next year, and it ensures the Senate will have the tools to enforce the spending limits we agreed to on a bipartisan basis.

I want to emphasize for my colleagues that we do have a budget. Those who continue to claim we do not have a budget are either unaware of what they voted on last year or are seeking to deliberately mislead the public. The Budget Control Act was passed by the House of Representatives, it was passed by the Senate, and signed into law by the President. It is the law of the land, and it established the key components of the budget for 2012 and 2013.

Here is the language from the Budget Control Act itself. It is very clear the Budget Control Act is intended to serve as the budget for 2012 and 2013. It states:

For the purpose of enforcing the Congressional Budget Act of 1974 through April 15, 2012 . . . the allocations, aggregates, and levels set in subsection (b)(1) shall apply in the Senate in the same manner as for a concurrent resolution on the budget for fiscal year 2012.

It goes on to use that exact same language for fiscal year 2013.

In many ways, the Budget Control Act was even more extensive than a traditional budget. It has the force of law, unlike a budget resolution that is not signed by the President. I think most Members here know a budget resolution is purely a congressional document. The Budget Control Act is actually the law.

No. 2, the Budget Control Act set discretionary spending caps for 10 years instead of the 1 year normally set in a budget resolution.

No. 3, it provided enforcement mechanisms, including 2 years of deeming resolutions which allow budget points of order to be enforced. And No. 4, it created a reconciliation-like supercommittee process to address entitlement and tax reforms, and it backed up that process with a $1.2 trillion sequester.

So these claims that we do not have a budget can now be put to rest. By filing the deeming resolution provided for in the Budget Control Act this morning, the budget levels have been set for next year.

Last week, we received CBO's updated budget estimates, which allowed me to complete work on the budget deeming resolution for 2013. The filing of this deeming resolution was required under the Budget Control Act. I filed a similar resolution for 2012 back in September. The Budget Control Act is crystal clear that the spending limits in the resolution should be set at the levels agreed to in the Budget Control Act.

Again, here is the language taken directly from the law. It states:

Not later than April 15, 2012, the Chairman of the Committee on the Budget shall file . . . for the Committee on Appropriations, committee allocations for fiscal years 2012 and 2013 consistent with the discretionary spending limits set forth in this Act.

It doesn't say at a level below the limits set forth in this Act, it says at

a level consistent with the limits set forth in this Act.

Let's remember what these limits mean. Under the Budget Control Act spending caps, discretionary spending is cut by about $900 billion below the CBO baseline over the next 10 years, and that is not including the sequester cuts. That is just the results of the Budget Control Act spending limits.

Let me make clear, our House Republican friends now seem to be walking away from these levels, even though they agreed to them last year. Let's look at what they said last summer. Here is what House Budget Committee Chairman RYAN said on the House floor on August 1:

> What the Budget Control Act has done is it has brought our two parties together. So I would just like to reflect for a moment that we have a bipartisan compromise here. That doesn't happen all that often around here; so I think that's worth noting. That's a good thing. And what are we doing? We are actually cutting spending while we do this. That's cultural. That's significant. That's a big step in the right direction. We are getting two-thirds of the cuts we wanted in our budget, and, as far as I am concerned, 66 percent in the right direction is a whole lot better than going in the wrong direction.

So last summer our House Republican colleagues were pleased to be getting 66 percent of what they wanted. They made an agreement. They shook on it. They ought to keep the agreement they made.

It seems that our House Republican friends are on their own, because at least so far the Senate Republican leadership has agreed we should keep to the spending limits we took on last year. Here is what Senate Minority Leader MCCONNELL said on the floor last month:

> We have negotiated the top line for the discretionary spending for this coming fiscal year. . . . We already have that number. . . . There is no good reason for this institution not to move forward with an appropriations process that avoids what we have done so frequently under both parties for years and years: either continuing resolutions or omnibus appropriations. . . . I hope we can join together and do the basic work of government this year and do it in a timely fashion.

I hope so too. I hope our House Republican colleagues are listening. We still must come together on a budget plan that addresses the long-term fiscal imbalances we confront, but the short-term budget is in place and it is in law. It was included in the Budget Control Act that everyone agreed to last summer. It provided for about $900 billion in discretionary spending cuts.

The Senate is now poised to proceed with its business. I have filed the budget deeming resolution for 2013, and we will be moving forward with appropriations bills at the levels we all agreed to. I believe House Republicans should do the same. If they fail to do so, they will once again threaten to shut down the government and needlessly imperil the economic recovery.

Mr. President, I thank my colleagues for this time, and I yield the floor.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. PAUL. Mr. President, I rise today in opposition to corporate welfare. At a time when our country is borrowing over $1 trillion a year, I think it makes no senses to loan money to countries we are borrowing from. For example, we borrowed $29 billion from Mexico, and yet we are sending them $8 billion of the money we borrowed from them to subsidize trade.

A lot of the subsidized trade goes to very wealthy corporations. When 12 million people are out of work in the United States, does it make sense for the U.S. taxpayer to subsidize loans of major multinational corporations? The President is big on saying, well, these rich companies need to pay their fair share. Well, why then is the President sending loans out to these very wealthy corporations? And he is actually giving them their fair share of our taxpayer money. Why is that occurring?

I have often asked the question, Is government inherently stupid? Well, you know, I don't think government is inherently stupid, but it is a debatable question. Government doesn't get the same signals your local bank gets. Your local bank has to look at your creditworthiness. Your local bank has to make a profit. Your local bank has to meet a payroll. But once the government gets in charge of these things, Katy-bar-the-door. We don't have a good track record with government banks because they do not feel deep inside the same pain that an individual banker feels when he gives a loan.

We have Fannie Mae and Freddie Mac losing $6 billion of your money a quarter. And what do they want to do? They want to expand another government bank. So get this right. The Fannie Mae and Freddie Mac that are government banks are losing $6 billion a quarter, and recently they wanted to give their executives multimillion dollar bonuses. They said, Well, you have to pay people if you want to keep good talent. My question is, How much talent does it take to lose $6 billion a quarter? I think there are people here today watching the Senate who would take $19 million a year to run one of these government banks only to have their record be that they lost $6 billion a quarter. That is outrageous. Then wanting to expand a new government bank and give money to very wealthy corporations that are making a profit? It makes no sense whatsoever.

Jefferson said government is best that governs least. What did he mean by that? He meant he wanted government to be small because government is inherently inefficient. Government doesn't get the same signals. That is why we should only let government do the things the private sector can't do. Banking is something the private sector can do. We are not talking about starting new companies, for the most part; we are mostly talking about subsidizing very wealthy multinational companies.

But let's look at the companies the Export-Import Bank is subsidizing. One of them is called First Solar. You may have heard that a lot of these solar companies are big contributors to President Obama. I wonder if that has something to do with them getting loans. But here is the loan First Solar gets from Export-Import. They get paid and they have a loan that says they are going to make solar panels, and then who is going to buy the solar panels? Themselves. So they made a deal with another company they own and the taxpayer is stuck financing a loan so First Solar can make solar panels and then buy them from themselves. That sounds like a good deal. You get the government to subsidize a loan to buy your own product.

Who else are we subsidizing? We gave $10 million in loans to Solyndra. You may have heard of Solyndra. Solyndra is owned by the 20th richest man in the United States, who just happens to be a big contributor to President Obama. Coincidence? I don't know.

Guess who works for the Department of Energy. Solyndra's lawyer's husband works for the Department of Energy, and he was apparently a big fan of these loans and a big fan of restructuring these loans. Do you think people approving the loans should be related to the people getting the loans?

Robert Kennedy, Jr., of the famous Kennedy family, got $1.8 billion. Just so happens they are big political supporters of the President also. How did they get the loan? Somebody who used to work for Kennedy now works in the loan department at the Department of Energy. Sounds as though there might be a conflict of interest.

This is a real problem. But this is a problem that is endemic to government banks. Once you let the government get hold of the banks, and once you let them make the loan decisions, they do it and they give the money to their favorites. So when one party is in charge, their favorites get them; when the other party is in charge, their favorites get them.

The government shouldn't be in this business. These are large multinational corporations that can find loans for themselves. Guess what. Sometimes they are loaning money to other governments that then compete with our industry. We are loaning money to India, to whom we also owe billions of dollars, but then India subsidizes an airline that competes with U.S. airlines. It doesn't make any sense at all. But we continue to do things that are counterproductive, counterintuitive, at taxpayers' expense. Then we say, well, to keep good talent, we have to pay these guys millions of dollars to run these government banks.

The problem is government banks don't respond the way business does. They respond in a fashion where they do not feel the pain. No one loses their job. No one loses a night's sleep over a government loan. When a bank loans you money, someone has to make a profit and meet a payroll. It is different. You have the checks and balances of the marketplace. You don't

need to have the government involved here.

There are a couple questions we should ask before doing what the other side wants to do. They want to expand the size of this corporate welfare. They want more corporate welfare going out to multinational corporations. In doing so, they want you, the taxpayer, to be on the hook for more money.

I would say we have to ask some questions. Should we be dispensing loans based on political favoritism? Should it matter if one is a big contributor to the President? Should that matter in getting a loan? No. I think that ought to be illegal. If it is not immoral, it ought to be. It is immoral. It should be illegal. We shouldn't be doing that.

Then the other question is, does it make sense to borrow billions of dollars first from China or India and then send it back to them to say: Please, buy our products with it. So we borrow the money from them, and then we send it back to the very same countries. It makes utterly no sense. I ask the Senate to consider seriously whether, at a time we are running a $1 trillion deficit, it makes sense to be subsidizing profitable, large multinational corporations. I don't think so, and I don't think the taxpayer thinks so.

I yield back the balance of my time.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, over the last several days there has been an immense outpouring of concern about the so-called JOBS bill the House has sent to us, and this outpouring should weigh upon us. It should make us question the speed and the lack of deliberation with which we are considering this House bill and question the wisdom of just sending it back to the House if there is one amendment to it, which is on the Ex-Im Bank, and hoping that somehow or another investors are going to be protected in a conference instead of by the Senate. What we are considering should be done with great deliberation, and we should take the time to get this right.

The House majority leader suggested yesterday that those of us who are concerned about the House bill are ''creating phantom investor protection issues.'' We did not create these issues. People who know far more about capital markets than the House majority leader or myself or probably any of us have asked us to reconsider what we are poised to do.

Start with the Council of Institutional Investors. This group's members invest a combined $3 trillion in our Nation's capital markets. They include the Nation's largest pension funds, university endowments, and foundations. The Council of Institutional Investors, an outside, independent, objective group whose sole purpose in life is to make sure investors are given sound opportunities and are not defrauded, is warning us that rather than boosting investment in our economy, we could frighten investors out of the market. They are asking us, they are pleading with us to reevaluate, and we should.

Next, take a look at the letter from the current SEC Chairman Mary Schapiro to the Banking Committee last week. Chairman Schapiro issues a lengthy list of warnings about provisions in the House bill. She sums up her warnings this way: ''If the balances tip to the point where investors are not confident that there are appropriate protections, investors will lose confidence in our markets and capital formation will ultimately be made more difficult and expensive.''

That is precisely the opposite of the impact we should want.

We should listen to the American Institute of Certified Public Accountants, which warns us that the House bill ''would create marketplace and investor confusion'' that dampens rather than strengthens investment in growing companies.

We should listen to the association that represents State securities administrators. What does that association do? They warn us that ''Congress is on the verge of enacting policies that although intended to strengthen the economy, will in fact only make it more difficult for small businesses to access investment capital.''

We should listen to the editors of Bloomberg News, one of the most trusted sources of commentary on the markets, who tell us that provisions of the House bill ''would be dangerous for investors and could harm already fragile financial markets.''

Can any of us who have lived through the fearful days of the financial crisis, days when we wondered if the entire economy would crumble—can any of us or should any of us vote to rush through this body legislation that threatens harm to fragile financial markets? Do we want to live through that again?

We should amend this flawed House bill so we can create opportunity for American workers, companies and investors and not opportunities for fraudsters, boiler room hucksters, and con artists. We can do that, and we should do that. One way to do that is to invoke cloture on the alternative that Senators JACK REED, MARY LANDRIEU and I have offered and to begin debate and amendments on that alternative so the Senate's deliberative process can begin.

If that cloture vote fails, the only remaining prudent alternative is to reject the cloture motion on the underlying bill so the Senate can begin to deliberate and consider amendments to a bill that has aroused such concern among so many experts whose very job it is to protect consumers.

Some may fear that by slowing a runaway train, they risk being portrayed as hostile to job creation or to small businesses. After all, how can we oppose legislation titled the ''JOBS Act''? It takes more than a clever acronym to create jobs. As the astonishing amount of concern among market experts tells us, this JOBS Act—this so-called JOBS Act is not a jobs act but an invitation to the kind of fraud that destroys jobs.

The Senate is the place where care and deliberation is supposed to rule and is supposed to rein in the excesses of haste and incaution, and I urge my colleagues to undertake that responsibility today.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

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

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

Mr. SESSIONS. Mr. President, I ask unanimous consent to speak as in morning business for 10 minutes.

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

THE BUDGET

Mr. SESSIONS. Mr. President, I was a bit surprised—although one is never totally surprised in this body—when my Democratic colleagues were saying this morning that something bad has happened because the historic budget that would change the debt course of America, that has been announced by Congressman PAUL RYAN and his House Budget Committee today, violates the Budget Control Act. It spends a few billion dollars less than what was capped in the Budget Control Act. The Budget Control Act that passed put a cap on the roughly $1 trillion of discretionary spending only. And from that $1 trillion-plus cap, the House would reduce spending by $19 billion in the proposed budget today, and this somehow violates good spirit around here and is the wrong thing. But I would just say that when the Budget Control Act passed in the wee hours of the morning at the eleventh hour and the 59th minute before a government shutdown occurred, we knew it wasn't enough of a reduction in spending. It wasn't half of what experts have told us needs to be reduced over the next 10 years to put America on a sound debt path.

We are on a disastrous debt path. We are heading to the most predictable financial crisis this Nation has ever faced because we are spending 40 cents per dollar more than we have. We are borrowing 40 cents of every dollar we spend—borrowing it—just to maintain this level of spending.

So the House made some changes or made a proposal to reduce the spending level below the Budget Control Act, and they also recognized that the $1 trillion or so in spending that was covered by the Budget Control Act—and that is the discretionary spending—is only a little over 40 percent of total spending. Over half of the spending is in the entitlement mandatory spending category. They proposed really nothing

under the Budget Control Act to make any changes.

So the Ryan budget proposed to spend next year $180 billion less than the President's budget proposed that he submitted earlier this year. And did the President's budget adhere to the BCA? My colleagues say, oh, they are mostly disheartened that Republicans would take the spending down below the level by about $19 billion or so under the Budget Control Act numbers. But I didn't hear them complaining when President Obama submitted his budget.

Do my colleagues know what the President's budget did? It wiped out over half of the spending cuts in the Budget Control Act. Can my colleagues imagine that? We agreed on $2.1 trillion in spending reductions, and $1 trillion of that was voted on explicitly, and $1.2 trillion was an automatic sequester or an automatic cut in spending if the committee didn't reach a long-term agreement. The committee didn't reach an agreement, so automatically $1.2 trillion in cuts was to be imposed. That is the current law. President Obama's budget wipes it out. Not only does he add, therefore, $1.2 trillion immediately to spending as a result of wiping out the sequester we agreed on just last August, he adds another $500 billion in spending. His budget he submitted just a few weeks ago calls for spending increases of $1.6 trillion more than was in the Budget Control Act.

So my good friend Senator CONRAD, who chairs the Budget Committee, and our Democratic leadership, who are threatening a government shutdown because Congressman RYAN and the responsible House Budget Committee proposed actually taking a few more billion dollars out of discretionary spending, want to complain about that. I didn't hear them complaining when we had the most astounding event after the President signed the Budget Control Act that passed both Houses at the eleventh hour: a compromise agreement—a compromise we all knew was not sufficient. And 5 months later, before the ink is hardly dry on it, he proposes to wipe it out.

No wonder the American people don't trust Congress. We say in August: We are going to save $2.1 trillion—trust us—and we are going to raise the debt ceiling so America can continue to borrow at this extraordinary rate, but we are going to cut spending. We are going to raise the debt ceiling, but don't worry, we promise to cut spending. And the President of the United States, within 5 months of that agreement being reached, submits to us a budget that wipes out half of it. I am amazed that nobody has been talking about it. I have tried to raise the issue. It just points out to me how silly it is that our colleagues in the Senate would complain about Congressman RYAN.

The American people gave Republicans a majority in the House of Representatives. We are facing the most systemic debt threat this Nation has ever faced, and they knew it, and they proposed last year and again this year a historic budget that would alter the debt course we are on. It would take us from unsustainability to sustainability. It would take us on a path that we would hope avoids a debt crisis, although we are so close to it, I am not sure we can avoid it. Hopefully, we can avoid a debt crisis, but our debt is tremendous. Our individual, per capita debt is $44,000 per man, woman, and child—greater than any country in Europe and greater than Greece. We are in the danger zone; clearly, we are.

So they proposed this budget last year and again this year, and it laid out a plan. So what happened? The President of the United States calls out Congressman RYAN and castigates him in a speech, and he is sitting right in front of him. The Senate Democrats, who haven't produced a budget in 3 years because they are afraid to, because they don't have the courage to lay out the tough choices that are going to be necessary to save this Republic financially, attacked Congressman RYAN and his House Members for trying to do the right thing. It is unbelievable to me. I am just amazed. Now we have them complaining that he goes a little below the Budget Control Act numbers. Give me a break.

Does anybody not know what is going on here? The American people do. They gave a shellacking to a lot of the big spenders in the last election. Surely we would have thought Congress got the message. The House did. Apparently, the Senators have not.

Senator REID, our majority leader, said it would be foolish to have a budget. Foolish to have a budget? The law requires us to have a budget. By April 1, we should have one in the committee. We are not going to be meeting before then. We should have one pass both Houses by April 15. That is the law. It is in the United States Code. Unfortunately, I guess, we don't go to jail as a result of not passing one because we haven't passed one here for 3 consecutive years. We haven't passed a budget in 3 years.

Senator REID said it is foolish to pass a budget. Why? I think he meant politically. It would be foolish for him to allow a budget to come to the floor where there is free debate, an opportunity to offer amendments in large numbers, and actually debate the challenges and vote on them. Senators—in public; not in secret meetings but in public—actually vote on these issues that are important to America and held accountable, and the American people can see how tough the choices are because the choices are tough. It is not going to be easy to balance this budget. I am telling my colleagues, I have seen the numbers. I am ranking Republican on the Budget Committee, and I have sat down with my staff, and I wish I could say it would be easier than it is. It is not going to be easy.

So this is a frustrating moment. I am not really surprised. Here we are, going into the summer, trying to deal with a financial systemic threat to America that Admiral Mullen calls the greatest threat to our national security—our debt. We have done nothing about it. The House has. The Republican leadership in the House has done their duty. They produced a courageous, thoughtful, responsible debt course change that will put us on the road to prosperity, not decline. Their budget includes tax simplifications and tax reductions even, while they are doubling the amount of savings President Obama achieves. The House budget, although it doesn't balance in 10 years—and I wish it did, but it doesn't balance in 10 years—adds half the debt in the next 10 years that President Obama's budget proposes. It cuts it more than half. It puts us on a path. And in the outyears, it is even more positive in its effect and clearly takes us out of this disastrous course we are on. So they should be congratulated for being honest and detailed.

Speaking of details, why don't we see the Democratic Members of this Senate lay out their budget plan?

Last year, Senator REID called up the House budget so all could vote against it. So Senator MCCONNELL called up the President's budget. Every Democratic Member voted against that. Senator TOOMEY's thoughtful budget——

The PRESIDING OFFICER. The Senator has used 11 minutes.

Mr. SESSIONS. Mr. President, I ask unanimous consent to speak for 1 additional minute.

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

Mr. SESSIONS. The net result was that the President's plan was brought up, and voted down 97 to nothing. All Democrats voted against the Toomey plan. All of them voted against the House plan. They voted against everything. Not one plan did they produce that they voted for. That is the course we are on today. I do not think that is a plan and a policy you can be proud of. I think it is unworthy of a party giving leadership in the Senate at this critical time in history.

I thank the Presiding Officer and yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana.

GASOLINE PRICES

Mr. VITTER. Mr. President, I have returned to the Senate floor today to talk about what is a true crisis for many Louisianans, many Americans, which is the ever-rising price of gasoline at the pump. This hits everybody in their tough pocketbook in a horrible economy. It is a true crisis for many American families all around the country.

In this debate—and it has been a significant national debate—a lot of Republicans say: Well, President Obama does not have a plan, does not have a policy to address the price at the pump. A lot of supporters of President Obama say: Well, no President can have a significant impact, can determine the price at the pump.

I think both of those statements are equally wrong. I think the President, this administration, does have a policy. They have made specific proposals and it would, if we enact it, have a significant impact on the price at the pump. It would just be the wrong sort of impact. It would drive the price even higher than it is now, not help American families by stabilizing that price.

I want to focus on one very specific, clearly laid out policy of President Obama, and that is to increase taxes on oil and gas and energy producers—increase taxes on that product, which I think clearly is going to only drive up the price at the pump.

President Obama has advocated this very consistently for a long time. He advocated it as a Senator. He laid it out as a central plank of his energy policy when he was originally running for President in 2008. He has fought for it ever since, including it in every budget submission to Congress. He has always advocated increasing taxes on domestic oil and gas energy producers.

To underscore this point, one of the President's biggest supporters in the Senate, Senator MENENDEZ, has introduced this concept in the Senate. Yesterday, Senator MENENDEZ introduced the Repeal Big Oil Tax Subsidies Act, which, again, does exactly the same thing as the President has long advocated. It increases taxes on that product. It increases taxes on those domestic producers.

I think the American people get it. We can argue about fairness. We can argue about other considerations. But in terms of the impact this is going to have on the price at the pump, I think the American people get it. It is economics 101: If you tax something more, you tend to drive the price up in the market, and you decrease supply. Again, that is economics 101.

I could talk about the true facts of this with regard to energy companies—the fact that they pay an effective tax rate of about 41 percent, the fact that they account for enough revenue to cover 10 percent of our entire discretionary budget, that they are not undertaxed at all by any reasonable comparison. But I am not going to focus on that because, quite frankly, I do not care about the direct impact on the companies. I care about the direct impact on Louisianans, on Americans, on consumers, on what so many low or middle-class families are dealing with right now—that real crisis I talked about that you face every time you go to fill up your car; that is, the burden of skyrocketing prices at the pump. That is what we should all be concerned about. As I said, I think it is pretty obvious, it is economics 101, that if you tax something more, the price at the pump, the price in the market goes up, and you get less of it.

But even if that were not so obvious, we have history to look at. There is a very clear history lesson from the Carter years, when this same experiment was actually enacted. Back then, in 1979, it was called the windfall profits tax. You may remember that debate. Well, that was actually enacted here in Congress, here in Washington—the Crude Oil Windfall Profits Tax Act. It was passed back then, and it went into effect on April 2, 1980. Again, the same arguments, the same policy: Somehow the tax treatment of these companies is unfair. Somehow they are not paying their fair share—even though the facts show otherwise—so we are going to increase the tax on those domestic energy producers.

Well, what happened? The first thing that happened was the price at the pump went up. It went up significantly for several years. There was a lot going on in the world at the same time. I know folks will point to developments in the Middle East and everything else. But that is what happened immediately following the enactment of that law. The price went up by about 50 percent and stayed there for several years.

But let's look at other factors. You can argue about the impact of politics and developments in the Middle East on price. What about things that should not be so impacted by developments in the Middle East? What about things such as domestic production and whether that increased or decreased? Well, in fact, as a direct result of the windfall profits tax, domestic oil and gas production, energy production, went down over that entire period from between 3 percent to 6 percent. If you look at the entire period of the tax, it went down.

In this debate, everyone at least has paid lip service to the idea that we should be producing more energy here at home. Yet in this historical example, in this experiment, increasing the tax on this product did what you would expect it to do, again from economics 101: It decreased that activity here at home. It decreased domestic production.

What else did it do? Well, the second big impact it had was it increased our dependence on foreign oil. Again, you can connect the dots. This is exactly what you would expect. If you increase taxes on domestic production, you decrease that supply, and guess what. We are even more dependent on those unstable foreign sources we want to get away from. That is exactly what happened in the Jimmy Carter experiment. He passed the windfall profits tax, and during the entire tenure of that tax, dependence on foreign oil increased significantly—between 8 percent and 16 percent.

Then something that might be a little less obvious is the impact on revenue. There were enormous promises made about the revenue this windfall profits tax would bring in. Well, at the beginning it did have that impact, but guess what. Over time that impact declined enormously, down to actually a zero net revenue increase by 1987. The tax was eventually repealed in 1988, but this impact on revenue went down to zero before that repeal, not because of the repeal. It went back to zero in 1987.

This purple, as shown on this chart, is what was promised. This purple is the increase in revenue that was promised and projected by President Carter. This gray, as shown on the chart, is what happened. Sure, there was an immediate spike. Then guess what. Domestic energy producers reacted. They did less activity here. If you tax something more, you get less of it, we are more dependent on foreign sources, we drive out that activity—those jobs and that revenue. So there was a steady decline, until it was actually zero net additional revenue in 1987, leading to the repeal in 1988.

So I would hope, when we look at this proposal—I would hope first we focus on the American people, we focus on their plight every time they go to fill up their gas tank, with these ever-increasing prices, and our top goal is to give them relief.

Increasing taxes on that product, increasing taxes on domestic producers of energy, is not going to give them relief. It is going to do exactly the opposite. Every rule of economics says that. If you tax something more, you get less of it, you increase the price in the market. History proves that—a very clear lesson from the Carter years that some folks on this Senate floor, President Obama, and others, want to repeat. This is not good policy if we truly want to help the American people with their everyday struggle with the price at the pump.

I think what is going on is a completely different agenda. Folks are so set against fossil fuel, folks want to advantage new forms of energy so much that they are willing to resort to actually increasing the price at the pump to do it. That is exactly what Secretary of Energy Chu advocated in late 2008 right before he was appointed to his present position. Let's not do that. The American people cannot afford it. They need relief. They need it now.

An American President can make a difference. Unfortunately, this one has a policy that would make a difference in the wrong direction. Taxing something more increases the price, produces less of it. We need to be doing the opposite. We need to be increasing domestic supply, bringing down the price, helping the American people in their everyday struggles with their family budgets, with how to manage their scant resources in a very tough economy.

I yield the floor.

The PRESIDING OFFICER. The Senator from Washington.

AMENDMENT NO. 1836

Ms. CANTWELL. Mr. President, I rise to talk about the Cantwell-Johnson-Graham-Shelby amendment that is going to be voted on shortly in this series of votes we are going to be having, and to urge my colleagues to support this important amendment that would reauthorize the Ex-Im Bank for 4 years, until 2015. The current authorization is set to expire in May of this year, so it is very urgent we pass this

authorization. It would increase capacity for the bank because there is demand.

The Ex-Im Bank, people may know—or maybe not know—supplies credit stability to foreign purchases of U.S. product, where the purchaser has limited access to private sector capital due to political risk or instability or limited access to capital. It is something we have had since 1934. So this program has been a way for U.S. manufacturers, small businesses, a variety of U.S. companies, to make sure they get sales of their products in international markets. It has been an incredibly important tool. Somebody called it one of the most important toolboxes in U.S. economic capacity to help our economy.

In 2011, the bank supported over $41 billion in U.S. exports from over 3,600 U.S. companies, and it has supported nearly 290,000 export-related jobs in America. So that is a very big impact. According to the Congressional Budget Office, the reauthorization of this program will help reduce the deficit by over $900 million over the next 5 years. That is right, a program that is run by the government that actually helps our deficit be reduced, and that is because of the amount of money that is made from these transactions and returned to the Treasury.

I wish to thank my colleagues: Senators JOHNSON, GRAHAM, SHELBY, WARNER, SCHUMER, BROWN, HAGAN, COONS, AKAKA, MURRAY, LANDRIEU, KERRY, KIRK, DURBIN, SHAHEEN, MCCASKILL, LIEBERMAN, and CASEY for all sponsoring this important amendment.

The reason we are out here is to make sure our colleagues know this is the 25th time this legislation has been up for extension since the original Executive order establishing it. I am looking at the record: 1983, passed by voice vote on the reauthorization; passed by unanimous consent in 1992—passed by unanimous consent many of the times.

Here is a program that over the last several decades has been passed by unanimous consent. Yet all of a sudden this legislation is being stalled or held up. What I want to make sure my colleagues know is what an important tool it is for job creation and why it is so important that we not take the capital that is left over in the Ex-Im program and delay it because what is going to happen if we do not get this reauthorization done right away is that they are going to stop the activity that is actually helping job creation in the United States.

As we can see in 2011, the total number of jobs it helped support was nearly 300,000 jobs. That is a pretty good impact by basically saying, as a program of a financing of last resort, the United States is going to make sure U.S. companies can get their products sold in various marketplaces. That is why the chamber of commerce, the National Association of Manufacturers, many companies and organizations are supporting this legislation.

As an added bonus, as I said, it is generating revenue to the U.S. economy. In fact, it has generated a lot of money, $3.7 billion for U.S. taxpayers since 2005. I know some of my colleagues on the other side of the aisle think the program could have more transparency. I will vote for more transparency for the Ex-Im Bank. But if one of my colleagues can figure out with more transparency how to get more than $3.7 billion to the U.S. Treasury out of a government program, I would love to hear about it because this is a program that has worked successfully.

Let's talk about some of the places these jobs were created; I mean, actually supported and helped sustain. In Pennsylvania, in 2011, $1.4 billion in export products were helped to be purchased by the Ex-Im Bank and supported over 9,000 jobs in the State. So there is help and support for those small businesses, those manufacturers in Pennsylvania that want to access international markets, but there are purchasers, just like with the SBA program or other finance programs that needed help and support in getting the financing done.

Let's look at Massachusetts, another robust State: $566 million in exports in 2011. That was over 4,000 jobs supported through this Ex-Im program. In my State there are many jobs. We can see from looking at the list of the companies that got support through this, we have—obviously, aviation has done very well with having this kind of financing, particularly competing in a big global market where other countries have this kind of financing tool.

But we also have a lot of small businesses. We have clean tech, we have agriculture, we have a lot of different companies. Texas, probably another State that has been a huge winner in having the Ex-Im program, 35,000 jobs supported by the Ex-Im Bank in Texas and almost $5 billion—$4.9 billion in business that was the done in the State of Texas through this program.

So my colleagues can see this is a very viable and important program to get reauthorized. I know some people think we ought to hold it up, and some are saying let's stop the program altogether—stop it and get rid of it, even though it has been around, it has been a tool, it has been authorized many times on unanimous consent. But now all of a sudden some people think this program has not served the American public and the American job economy very well.

I would differ with them. It has served us very well. Another example is Florida. It has, in 2011, helped support $1.1 billion of Florida products sold in international markets and helped support over 7,600 jobs in that State—again, a big boost to that economy.

Let's look at North Carolina. It has helped support over 3,300 jobs and over $456 million in exports. What I also like about this is that for the first time with this legislation, the textile industry is going to get a member of the Export-Import Bank. That is to further help export products from places such as North Carolina and South Carolina get access to the marketplace and to make sure they are being competitive on an international basis.

The last chart, Ohio, which is over $398 million and 2,888 jobs. So all these are important jobs for our economy. As I said earlier, this program is expiring in May. If we fail to reauthorize it now, what we are going to run into is the Export Bank cutting off those types of businesses, those types of jobs in the very near future because they are almost at their capacity for this year. So instead of saying: Washington or Florida products or Ohio products or Pennsylvania products ready for sale, basically what we are going to say is: U.S. products in a warehouse waiting for opportunity.

We are basically going to say the door is shut on selling these products because we have not gotten our job done in making sure the export program is reauthorized. I hope my colleagues will realize that around here very few things are getting done very efficiently. There are lots of things being held up, and the U.S. economy is paying the price for it. If we cannot push something such as the Ex-Im Bank through this process that again has been authorized and reauthorized so many times either by unanimous consent or voice vote and all of a sudden we are going to turn it into a political football, then the American economy is going to pay the price for that.

I urge my colleagues to help us get this Cantwell-Johnson-Graham-Shelby amendment passed out of the Senate today and on its way to the House so we can expedite the process of making sure we do not have a sign across America: ''U.S. products stuck in warehouse'' but instead we have a sign that says: ''U.S. exports on the gain. United States making great headway and selling great products and services around the globe.''

I know my colleagues earlier today were saying: There are some things people want to change. The amendments people want to offer in this legislation are from people who want to stop this program. This legislation has transparency. It has improvements that have been recommended on market-based rates, and it puts the United States in a competitive advantage to make sure we are competing in a world in which export market opportunity has grown something like 500 times in the last 25 years.

If we want to be in the jobs game, we have to get our products overseas. The Ex-Im Bank will continue to help us do that. I urge my colleagues to support the Cantwell-Johnson-Graham-Shelby amendment.

Mr. WHITEHOUSE. I wish to express deep concerns about the so-called JOBS Act sent to us by the House and to commend my senior Senator JACK

REED and Senators LEVIN and LANDRIEU for putting forth a balanced and thoughtful alternative.

Everyone in this body agrees that Washington should be doing as much as it can to create jobs for middle-class Americans. But if the financial crisis of 2008 taught us anything, it is that smart regulation of our capital markets is a key element of sustained economic growth.

Unfortunately, this legislation would eliminate key investor protections and allow for fraud and abuse to flourish in a shadowy world of unregistered securities. According to John Coates and Bob Pozen of the Harvard Law and Business Schools, respectively, the House bill ''could spur more shady deals than new jobs.'' John Coffee of Columbia Law School has called it the ''the boiler room legalization act''—a reference to brokerage operations that profit from unloading questionable securities on unsuspecting and inexperienced investors.

Over the past few days, opposition to the House bill has extended far beyond economists, with investor and consumer protection groups, ranging from the Council of Institutional Investors and the North American Securities Administrators Association to the AARP and Consumer Federation of America, calling for substantial changes. These groups have encouraged the Senate to reexamine many of the House bill's provisions, including ones that would: allow unregulated Web sites to sell unregistered stock to middle-class investors; permit stock brokers to advertise risky private offerings on billboards and in cold calls to seniors homes; and strip away the corporate governance and executive compensation transparency requirements that we worked so hard to pass in the 2010 Wall Street reform bill.

Senators JACK REED, CARL LEVIN, and MARY LANDRIEU have worked around the clock to produce an alternative that maintains key investor protections. I commend them for their work, and am proud to cosponsor their substitute amendment. I hope we can use this amendment as a starting point to negotiate a compromise final bill—one which achieves the goal of making capital more accessible to small startups, without making the markets riskier for average investors. If we do not take the time to get this important bill right, I fear we will live to regret our haste.

SEC Chairman Mary Schapiro framed well the dangers of undercutting securities regulations when she warned, ''if the balance is tipped to the point where investors are not confident there are appropriate protections, investors will lose confidence in our markets, and capital formation will ultimately be made more difficult and expensive.'' Let's pass a capital formation bill that strikes the right balance between capital formation and investor protections. In my time as U.S. Attorney and Attorney General, I have seen the devastation that financial fraud can inflict on a family, and I have seen how unscrupulous con men, stock jobbers, fraudsters, and boiler room operators can be. It is worth it to take the trouble to protect against the crooks who could take advantage of the loopholes this bill leaves to exploit innocent victims. I urge my colleagues to support the Reed-Levin-Landrieu alternative and to oppose the House-passed bill. I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. The majority leader.

STOP TRADING ON CONGRESSIONAL KNOWLEDGE ACT OF 2012

Mr. REID. Mr. President, as the Senate is aware, there are differences between the Senate and the House work product on the STOCK Act. This legislation limits insider trading by Members of Congress. It certainly would have been my preference to work out these differences between the two Houses through a conference committee. I know that is the preference of the Republican leader. That is the usual practice.

But we have been advised there would be objection to going to conference by consent. I have tried it and tried it and we cannot break through that. That means it would take filing and adopting three separate cloture motions over the course of weeks to get to conference; that is, if we can be successful on the first two. So we need to address this issue more quickly because otherwise we do not address it at all, and we need to address it.

As a consequence, I am going to file cloture in the motion to concur with the House bill on the STOCK Act. It is my hope we can resolve this matter expeditiously, and I hope we can thereby make clear Congress's intent to prohibit insider trading by Members of Congress.

I now ask the Chair to lay before the Senate a message from the House with respect to S. 2038.

The PRESIDING OFFICER. The Chair lays before the Senate the following message from the House, which the clerk will report.

The bill clerk read as follows:

Resolved, that the bill from the Senate (S. 2038) entitled ''An Act to prohibit Members of Congress and employees of Congress from using nonpublic information derived from their official positions for personal benefit, and for other purposes,'' do pass with an amendment.

(The amendment is printed in the Proceedings of the House on February 9, 2012.)

Mr. REID. Mr. President, I move to concur in the House amendment to S. 2038.

I ask for the yeas and nays on that motion.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

CLOTURE MOTION

Mr. REID. I have a cloture motion at the desk.

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

The bill clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the Reid motion to concur in the House amendment to S. 2038, the Stop Trading on Congressional Knowledge Act.

Harry Reid, Jeff Bingaman, Daniel K. Inouye, Joseph I. Lieberman, Tim Johnson, Daniel K. Akaka, Richard J. Durbin, Charles E. Schumer, John Barrasso, Scott P. Brown, Mitch McConnell, Jon Kyl, Richard C. Shelby, Rob Portman, John Cornyn, John Hoeven, Marco Rubio, Lisa Murkowski, Jeff Sessions, Mike Johanns, Tom Coburn, Susan M. Collins

MOTION TO CONCUR WITH AMENDMENT NO. 1940

Mr. REID. Mr. President, I move to concur in the House amendment to S. 2038, with an amendment.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Nevada [Mr. REID] moves to concur in the House amendment to S. 2038 with an amendment numbered 1940.

The amendment is as follows:

At the end, add the following new section:

SEC. ___.

This Act shall become effective 5 days after enactment.

Mr. REID. Mr. President, I ask for the yeas and nays on my motion.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 1941 TO AMENDMENT NO. 1940

Mr. REID. Mr. President, I have a second-degree amendment at the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 1941 to amendment No. 1940.

The amendment is as follows:

In the amendment, strike ''5 days'' and insert ''4 days''.

MOTION TO REFER WITH AMENDMENT NO. 1942

Mr. REID. Mr. President, I have a motion to refer the House message to the Committee on Homeland Security and Governmental Affairs with instructions to report back forthwith with an amendment.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Nevada [Mr. REID] moves to refer the House message on S. 2038 to the Committee on Homeland Security and Governmental Affairs with an amendment numbered 1942.

The amendment is as follows:

At the end, add the following new section:

SEC. ___.

This Act shall become effective 3 days after enactment.

Mr. REID. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 1943

Mr. REID. Mr. President, I have an amendment to my instructions which has also been filed at the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 1943 to the instructions of the motion to refer the House message on S. 2038.

The amendment is as follows:

In the amendment, strike ''3 days'' and insert ''2 days''.

Mr. REID. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 1944 TO AMENDMENT NO. 1943

Mr. REID. Mr. President, I have a second-degree amendment to my instructions which is also at the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 1944 to amendment No. 1943.

The amendment is as follows:

In the amendment, strike ''2 days'' and insert ''1 day''.

Mr. REID. Mr. President, I ask unanimous consent that the mandatory quorum under rule XXII be waived with respect to the cloture motion I have just filed.

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

JUMPSTART OUR BUSINESS STARTUPS ACT—Continued

Mr. REID. Mr. President, I ask unanimous consent that Senator REED be recognized for 2 minutes and Senator LANDRIEU for 2 minutes. I ask unanimous consent that those two Senators be recognized.

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

Mr. REED. Mr. President, I thank the majority leader. I rise because in a moment we will be voting on the Reed-Landrieu-Levin substitute amendment. This legislation corrects glaring defects in the House-proposed bill on a so-called jobs bill. It protects investors. It allows capital formation, but it does not do that at the expense of investors.

We have taken all the major provisions of the House bill with respect to the IPO onramp. We have not deleted them, we have improved them. We have lowered the threshold in terms of the size of the business so these IPO onramps can be designed for small businesses, not for businesses of $1 billion in annual revenue.

We have gone ahead and looked at the aspects of regulation A in the House, and we agree there should be an increase in the limit from $5 million to $50 million. But we have made improvements. For example, the House bill will allow people to solicit these securities under regulation A without audited financials. I think at a minimum the investing public should have some audited financials to rely upon.

We have taken provisions with respect to the ability to go dark—the ability to stop reporting if you have 2,000 or less record owners—and we have raised the limit from the existing 1 to 750 beneficial owners. But we haven't opened it broadly so that large well-known companies could suddenly stop reporting their financial information on a routine basis.

We have looked at the reg D offerings in terms of a private offering versus a public offering, and we have given the Securities and Exchange Commission the ability, in this age of the Internet and of Twitter, to make adjustments so that a private offering under reg D would not be compromised because it gets into the media through Twitter, et cetera. But we haven't opened it to general solicitation, as the House bill does.

By the way, our bill actually tries to create jobs, not just opportunities to raise funds through Wall Street. With Senator LANDRIEU's help, we have strong small business provisions in there. We include the Ex-Im Bank provisions of Senator CANTWELL. We worked very closely with Senators MERKLEY, BENNET, and BROWN of Massachusetts to include a crowdfunding provision which is much superior.

If we do not achieve cloture, we will see, by default, a bad House bill on its way to becoming law.

The PRESIDING OFFICER (Mrs. SHAHEEN). The Senator has used 2 minutes.

The Senator from Louisiana.

Ms. LANDRIEU. Following up on the leadership of the good Senator from Rhode Island, let me say there are many reasons—many reasons—to vote against cloture on the House bill, and I will get to that in a minute. But I am urging my colleagues to vote yes on cloture for the Reed-Landrieu-Levin substitute.

We have tried to address the many concerns raised by the House bill in our substitute. If we vote yes on cloture for our substitute, we can then go into some more meaningful debate on the Senate floor, and this bill needs some additional debate.

Mary Schapiro from the SEC said, clearly, the House bill goes too far. The Chamber of Commerce even says there are concerns in the House bill. AARP is opposed to the House bill. Securities and Exchange Commissioner Mary Schapiro wrote last week:

H.R. 3606 would remove certain important measures put in place to enforce separation between the research analysts and investment bankers who work for the same firms. These careful principles were put in after the scandals that ensued on Wall Street.

This bill has flown out of the House. Even BARNEY FRANK said what we are doing in the Senate, by slowing it down and amending it, is the right thing. So I urge my colleagues to give our substitute a chance. They can vote yes on Senator CANTWELL's amendment, and vote no on cloture to the House bill so we can continue this important debate in the Senate.

CLOTURE MOTION

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

The bill clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the substitute amendment No. 1833 to H.R. 3606, an Act to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies.

Harry Reid, Mary L. Landrieu, Ben Nelson, Carl Levin, Jon Tester, Mark Begich, Patty Murray, Mark R. Warner, Christopher A. Coons, Robert Menendez, Thomas R. Carper, Joseph I. Lieberman, Debbie Stabenow, Robert P. Casey, Jr., Jeanne Shaheen, Tom Udall, Jim Webb, Barbara Boxer.

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

The question is, Is it the sense of the Senate that debate on amendment No. 1833 to H.R. 3606, an act to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The bill clerk called the roll.

Mr. KYL. The following Senator is necessarily absent: the Senator from Illinois (Mr. KIRK).

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

The yeas and nays resulted—yeas 54, nays 45, as follows:

[Rollcall Vote No. 51 Leg.]

YEAS—54

Akaka	Gillibrand	Murray
Baucus	Hagan	Nelson (NE)
Begich	Harkin	Nelson (FL)
Bennet	Inouye	Pryor
Bingaman	Johnson (SD)	Reed
Blumenthal	Kerry	Reid
Boxer	Klobuchar	Rockefeller
Brown (MA)	Kohl	Sanders
Brown (OH)	Landrieu	Schumer
Cantwell	Lautenberg	Shaheen
Cardin	Leahy	Stabenow
Carper	Levin	Tester
Casey	Lieberman	Udall (CO)
Conrad	Manchin	Udall (NM)
Coons	McCaskill	Warner
Durbin	Menendez	Webb
Feinstein	Merkley	Whitehouse
Franken	Mikulski	Wyden

NAYS—45

Alexander	Boozman	Coburn
Ayotte	Burr	Cochran
Barrasso	Chambliss	Collins
Blunt	Coats	Corker

Cornyn	Isakson	Portman
Crapo	Johanns	Risch
DeMint	Johnson (WI)	Roberts
Enzi	Kyl	Rubio
Graham	Lee	Sessions
Grassley	Lugar	Shelby
Hatch	McCain	Snowe
Heller	McConnell	Thune
Hoeven	Moran	Toomey
Hutchison	Murkowski	Vitter
Inhofe	Paul	Wicker

NOT VOTING—1

Kirk

The PRESIDING OFFICER. On this vote, the yeas are 54, the nays are 45. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

The majority leader is recognized.

Mr. REID. Madam President, we need order in the Senate. People should take their seats. The Republican leader has some words he wants to share with the Senate.

The PRESIDING OFFICER. The Republican leader is recognized.

Mr. MCCONNELL. Madam President, on my leader time, briefly, there is substantial support on this side of the aisle for the Ex-Im Bank. However, it is important that we get this bipartisan JOBS bill that passed the House overwhelmingly and that the President supports on down to the President. So it is going to be my recommendation to my Members, which I hope they will follow, that we oppose cloture on adding the Ex-Im to this bill.

I say to my friend the majority leader, I have discussed this with virtually all my Members. We believe that if you turn to the Ex-Im matter, we can pass it in a relatively short time with very few amendments related to the subject matter. But I think it is important that we get this JOBS bill down to the President.

I urge my colleagues at this particular point on this particular bill to oppose cloture.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. REID. Madam President, at a meeting very recently with people from the Pentagon, their No. 1 issue is not Afghanistan, it is not Iraq, it is not Pakistan, it is not North Korea, it is not Iran, it is cybersecurity. We have to move to that legislation. The post office is going broke as we speak. We have to move to that bill as quickly as we can. The Violence Against Women Act has expired. We have to move forward on that. We have so much to do in such a short period of time.

The Export-Import Bank is a powerful piece of legislation—300,000 jobs this year alone. It saves $1 billion. And my Republican colleagues, as has been standard procedure around here, even on a bill that is as supported as this by the country, want to have a fight. The fight is on a procedural matter, that they want offered amendments—plural.

As my friend the Republican leader said, we could pass this bill in a relatively short period of time. Think about that. Right now, we could pass that, it would be part of this IPO bill we got from the House, and we could go on about our business. So I think this is a huge mistake by my Republican colleagues.

Everyone, listen. Ex-Im is, for the foreseeable future, not going to be able to be moved forward. I cannot move it to the front of everything else when we have all these things due. I have only talked about a few of the things we have to do, and we have to do them very soon.

So go ahead, my friends. You picked a fight where it is not a necessary fight, but you may be surprised how this winds up. I will say no more. I know what the rules of the Senate are, and I am going to follow them. So have at it, vote no on the Ex-Im Bank.

The PRESIDING OFFICER. The Republican leader.

Mr. MCCONNELL. This JOBS bill passed overwhelmingly in the House, with only 23 votes against it, supported by the President of the United States. It is ready to go down to him for signature. If we add the Ex-Im Bank to it, we only delay the passage of this bipartisan JOBS bill, and we send it back to the House, and we don't know how they feel about the Ex-Im extension. We do know that here in the Senate, as I just indicated, there is a significant majority in favor of passing this legislation, which we ought to be able to do very quickly.

I do not think there is any particular reason for delaying a jobs bill that is overwhelmingly supported on a bipartisan basis; therefore, I say to my friends on this side who are in favor of the Ex-Im Bank, I am in favor of moving to that rapidly. I can say to the majority leader, as I said before, we would be willing to agree to very few amendments related to the subject matter. I encourage him to turn to that soon, even though it doesn't expire, I believe, until sometime in May.

With that, I yield the floor.

Mr. REID. Madam President, I say go ahead and vote against a bill you favor. It is very clear. The only way to ensure that this program, the Ex-Im Bank, advances is to see that it is attached to the House measure. Clearly, that is it.

I am very, very tired of this bill, the IPO bill, being referred to as a jobs bill. That takes a lot of gall, to talk about that as a jobs bill. We have a jobs bill that we, on a bipartisan basis, passed after 5 weeks on the Senate floor. Have I heard one word from my Republican colleagues about a real jobs bill, saying, why is the Speaker driving a nail in this bill that we worked on for 5 weeks?

Understand that the surface transportation bill is a jobs bill. The IPO bill is a nice thing to do, if it were done in the right manner and we had some amendments that got rid of some of the bad provisions. Before this is all over, that may be just what happens.

The PRESIDING OFFICER. The Republican Leader.

Mr. MCCONNELL. If I may say to those who are watching and those interested in the Ex-Im Bank, if I had my good friend HARRY REID's job and I were the majority leader, we would be turning to the Ex-Im Bank next, right after this, and we would be doing it with very few amendments because the advantage to being the majority leader, obviously, is you have the ability to schedule. I want everybody who is following this issue to understand that if I were setting the agenda, the next item up, right after this bipartisan jobs bill, would be the Ex-Im Bank.

Mr. REID. Madam President, remember, anyone who can read—we can all do that—the morning press accounts. CANTOR of the House leadership has said he doesn't support the Ex-Im Bank; that my amendment—my amendment, sponsored by Democrats and Republicans—was a partisan maneuver. They are not about to take the Ex-Im Bank unless it is part of the overall package, and that is why we are doing it this way.

Madam President, as my friend the Republican leader said so clearly, he is not the leader. I am. We have a number of very important issues we have to deal with. Even though I believe in the Ex-Im program, it is going to drop to the bottom of the calendar because we have things we have to do.

CLOTURE MOTION

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

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate on amendment No. 1836 to H.R. 3606, an Act to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies.

Harry Reid, Ben Nelson, Mary L. Landrieu, Carl Levin, Jon Tester, Mark Begich, Patty Murray, Mark R. Warner, Christopher A. Coons, Robert Menendez, Thomas R. Carper, Joseph I. Lieberman, Debbie Stabenow, Robert P. Casey, Jr., Jeanne Shaheen, Tom Udall, Jim Webb, Barbara Boxer.

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

The question is, Is it the sense of the Senate that debate on amendment No. 1836 to H.R. 3606, an act to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. KYL. The following Senator is necessarily absent: the Senator from Illinois (Mr. KIRK).

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

The yeas and nays resulted—yeas 55, nays 44, as follows:

[Rollcall Vote No. 52 Leg.]

YEAS—55

Akaka	Gillibrand	Murray
Baucus	Hagan	Nelson (NE)
Begich	Harkin	Nelson (FL)
Bennet	Heller	Pryor
Bingaman	Inouye	Reed
Blumenthal	Johnson (SD)	Reid
Boxer	Kerry	Rockefeller
Brown (MA)	Klobuchar	Schumer
Brown (OH)	Kohl	Shaheen
Cantwell	Landrieu	Stabenow
Cardin	Lautenberg	Tester
Carper	Leahy	Udall (CO)
Casey	Levin	Udall (NM)
Collins	Lieberman	Warner
Conrad	Manchin	Webb
Coons	McCaskill	Whitehouse
Durbin	Menendez	Wyden
Feinstein	Merkley	
Franken	Mikulski	

NAYS—44

Alexander	Graham	Murkowski
Ayotte	Grassley	Paul
Barrasso	Hatch	Portman
Blunt	Hoeven	Risch
Boozman	Hutchison	Roberts
Burr	Inhofe	Rubio
Chambliss	Isakson	Sanders
Coats	Johanns	Sessions
Coburn	Johnson (WI)	Shelby
Cochran	Kyl	Snowe
Corker	Lee	Thune
Cornyn	Lugar	Toomey
Crapo	McCain	Vitter
DeMint	McConnell	Wicker
Enzi	Moran	

NOT VOTING—1

Kirk

The PRESIDING OFFICER. On this vote, the yeas are 55, the nays are 44. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to.

The majority leader.

Mr. REID. Madam President, for my Members, we are going to have a conference at 5:15 in the LBJ Room. I have spoken to the Republican leader. We will have no more votes tonight. We will determine a time in the morning to have the next vote or votes. We will move on from there. So, again, I say to my Senators, 5:15 in the LBJ Room.

I note the absence of a quorum.

The PRESIDING OFFICER (Mr. CASEY). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

TRIBUTE TO DR. KEITH RHEAULT

Mr. REID. Mr. President, Dr. Keith Rheault has dedicated his entire career to education, including serving in the Nevada education system for more than 26 years. At the end of this month, Dr. Rheault is retiring from his current position as the Nevada Superintendent of Public Instruction. Today, I am proud to recognize him for his service and his commitment to improving the lives of Nevada's children through education.

As superintendent, Dr. Rheault has been responsible for a school system that educates more than 400,000 students in some of the most diverse school districts in the country. In this capacity, Dr. Rheault has developed a unique understanding of the challenges facing Nevada's districts and schools. Over his 8 years as superintendent, he has helped lead several statewide educational initiatives and has worked hard to ensure that Nevada students are prepared to compete in the global economy.

Most recently, Nevada was one of only six States to be awarded a $71 million, 5-year competitive grant through the Striving Readers Comprehensive Literacy Program to improve the literacy skills of Nevada students, including students with disabilities and limited English proficiency. In addition, Dr. Rheault oversaw the Nevada Pathway to 21st Century Learning, a statewide professional development program dedicated to helping Nevada teachers successfully integrate and utilize technology in their classrooms.

Nevadans are fortunate to have had the educational leadership of Dr. Rheault. I join with students, teachers, and administrators from across the State in thanking him for his dedication and service. It has been a pleasure to work with Dr. Rheault over the years, and I wish him and his family the best as he begins this next phase of his life.

RETIREMENT OF BRIAN LAMB

Mr. MCCAIN. Mr. President, as my colleagues know, Brian Lamb, the founder and CEO of C–SPAN, recently announced his decision to retire.

Brian Lamb is a broadcasting legend who made the workings of our government accessible and transparent to every American through C–SPAN, the nonprofit cable network he founded 33 years ago. I have had the privilege of knowing Brian for many years, and there are many people across the country who still believe we were separated at birth.

More seriously, Brian's unquestioned integrity and profound commitment to making government accountable to the people have made a lasting contribution to our democracy. The American people owe Brian Lamb a debt of gratitude, and we wish him all the best in this new chapter of his remarkable career.

DEFENSE OF MARRIAGE ACT

Mr. LEAHY. I am moved today to talk about Frances Herbert and Takako Ueda of Dummerston, VT. This loving couple is legally married under the laws of Vermont. Yet, like many Americans, they are being hurt by the Defense of Marriage Act despite the protections provided them under the laws of the State in which they live. Ms. Ueda is a Japanese citizen. Recently, her petition to become a lawful permanent resident of the United States, as the lawful spouse of a United States citizen, was denied for the sole reason that she and her lawful spouse happen to be of the same gender. This case underscores not only the harm that current Federal law causes to same sex couples, but the additional hardship placed upon same sex binational couples whose marriages are not recognized as the foundation of a spousal-based green card petition.

Last summer, I chaired a hearing before the Senate Judiciary Committee to examine the impact of the Defense of Marriage Act. We heard from many different witnesses about how this Federal law has singled them and their families out and made them less secure than other families protected under State law. That historic hearing reflected steady progress toward a better understanding of the way in which that law hurts Americans and their loved ones. I have experienced profound change in my own views. I voted for the Defense of Marriage Act in 1996. And today I will not hesitate to acknowledge that my views have changed for the better. My own transformation came in part from the State of Vermont's drive towards greater equality for Vermonters. The Vermont Supreme Court's opinion in the landmark case of Baker v. State first gave rise to legislatively-enacted civil unions in Vermont. In Baker v. State, then-Chief Justice Jeffery Amestoy wrote that the court's decision was grounded in Vermont's constitution and was ''a recognition of our common humanity.'' A few years later, the Vermont legislature voted to provide full marriage equality. And other States have now followed this march toward equality for all committed couples.

Our common humanity is what my friend Congressman JOHN LEWIS was describing when he spoke in opposition to the Defense of Marriage Act on the floor of the House of Representatives in 1996, and what he has continued to fight for and protect for so many years. Congressman LEWIS saw this law for what it was with a clarity and conviction that I greatly admire. Congressman LEWIS wrote in 2003 that we must have ''not just civil rights for some but civil rights for all.'' He was speaking of the rights of gay and lesbian Americans. I could not agree more.

Our common humanity is what binds us together. It is what moves neighbors to help neighbors without regard to politics or ideology, and without judgment. It is what inspired the extraordinary generosity and giving spirit of Vermonters who helped each other following the devastation of Hurricane Irene, and which I and my family witnessed all over Vermont. I can think of few things more worthy of protection and respect than the universal bond that human beings form with each other.

Despite Vermont's exercise of its sovereignty and the legislature's expression of the will of the people of Vermont, the Defense of Marriage Act stands as an obstacle to the full realization of the promise Vermont made to its citizens—just as it does to the

citizens of every other State that has taken these steps toward justice and fairness.

Frances Herbert and Takako Ueda are two Vermonters who know first hand the harm caused by this discriminatory Federal policy. For them, the issue is not ideological or political, it is deeply personal. They are legally married in the State of Vermont and have been formally committed to one another for more than a decade. Despite the fact that Vermont considers them to be a married couple, the Federal government does not. After many years of lawful presence in the United States, Ms. Ueda was faced with the impossible decision of choosing between her spouse and leaving the United States. Our Federal laws may split their family apart. This is unfair and it is wrong.

Not only does the Defense of Marriage Act infringe upon the States' traditional and historic right to define marriage, it denies many Americans equal treatment under the law. What good is a Federal law that dictates such a result? Ideological purity alone is not sufficient to overcome the harm that is caused. As I just acknowledged, my own thinking has evolved over the years as I have learned from my constituents and fellow Americans. Yet, repealing the Defense of Marriage Act would not force any State or individual to recognize a marriage they didn't agree with. Instead, it would restore the role that States have historically played in determining who can be married under its laws.

I am confident that justice and fairness will prevail in the end. Our Nation is too noble and our sense of liberty too strong to tolerate injustice without end. I am heartened by the progress that we are seeing across the country. Public consciousness is evolving, and will reach the point at which discrimination based on sexual orientation becomes another sad relic of our past. I believe we will look back at these prejudices with disappointment and regret, just as we have at other points in our history. But the capacity of our Nation to evolve and progress is a defining characteristic of the American spirit. And the American people ultimately come to reject that which is fundamentally unfair and unjust.

Just as Frances Herbert and Takako Ueda are living examples of just how devastating the Defense of Marriage Act is for so many Americans, there are others in Vermont who are facing and have faced the same struggles. Gordon Stewart, who testified before the Judiciary Committee in 2009, was compelled to sell his family's farm in Vermont and move abroad in order to live lawfully with his partner. Nancy Wasserman was compelled to leave Vermont and move to Canada to be able to live with her spouse. She can now legally enjoy the benefits of marriage that would otherwise be denied to her wife in the United States. Michael Upton, a doctor and native of Vermont is forced to live apart from his loved one. No Vermonter, and no American, should be forced to make this choice.

In addition to my strong support for the repeal of the Defense of Marriage Act, I introduced the Uniting American Families Act to help right a part of this wrong. My legislation would grant same-sex binational couples the same immigration benefits provided to heterosexual couples. Passage of this important legislation would help put our country on par with over 25 other developed countries that value and respect human rights.

In the United States, 10 states and the District of Columbia have marriage equality laws. The tide continues to swell in favor of same-sex equality with the New Jersey Legislature passing a marriage equality bill this year, which was vetoed by Governor Christie. It is clear that Americans are increasingly accepting of same-sex loving relationships and marriages, and that more and more Americans are putting aside tired stereotypes and their personal preferences to support individual freedom and the basic rights of all Americans. Now, the Federal Government must respect the sovereignty of these States and the protections those States have provided its citizens.

Having worked over many months to support Takako Ueda and Frances Herbert, it is clear to me that the love and devotion that they have for one another is no different or less sacred than that which I share with my wife, Marcelle. It is no less real, or important, or worthy of protection and recognition. I have been blessed to be married for nearly 50 years. Marcelle and I have been able to enjoy the family unity and the benefits that legal recognition provides, and which I hope all Americans would agree is fundamental.

As the Senate moves through the second session of the 112th Congress, I will keep fighting for Takako Ueda and Frances Herbert, for Gordon Stewart, Nancy Wasserman, and Michael Upton, and for all Americans who face discrimination as the result of the Defense of Marriage Act. I know that justice is on our side.

HEALTH REFORM

Mrs. FEINSTEIN. Mr. President, during this second anniversary of the Patient Protection and Affordable Care Act, I wish to discuss some of the benefits this law has already brought to consumers.

Millions of Americans nationwide and in California have already benefited from this law. For the first time, insurance companies are held accountable they cannot drop coverage just because someone gets sick, they cannot deny coverage because of a preexisting condition, and they cannot impose limits on the amount of care provided in a lifetime.

This law helps women, children, young adults, seniors, families, and individuals living with disabilities and chronic medical conditions.

In California, because of the law, over 12 million people no longer have a lifetime limit on their health insurance plan. This includes almost 4.5 million women and 3.26 million children.

Now, individuals and families with medical expenses do not have to worry that they will reach a point where insurance will no longer provide coverage. Eliminating lifetime caps on coverage and phasing out annual caps will reassure Californians that their health coverage will be there when they need it.

The health reform law is taking great strides to ensure affordable prescription drugs for Medicare beneficiaries.

Before health reform, Medicare beneficiaries were faced with a prescription drug coverage gap that was unaffordable for many. This so-called doughnut hole forced beneficiaries to pay 100 percent of their drug costs after they exceeded an initial coverage limit. As many as one in four seniors went without a prescription every year because they simply could not afford it.

Now, the law is closing this coverage gap, and already, an estimated 320,000 Medicare beneficiaries in California have saved almost $172 million on prescription drugs.

Under the health reform law, insurance companies are already banned from denying coverage to children because of a preexisting condition, such as a heart defect, autism, or juvenile diabetes.

Parents no longer have to spend away college funds to cover children with medical conditions.

Beginning in 2014, health insurers are prohibited from denying anyone health insurance coverage because of a preexisting medical condition. This means that being pregnant can no longer be considered a preexisting condition. It means that individuals will no longer be prevented from purchasing affordable insurance simply because they had an accident, are sick, or got cancer.

Under the law, insurance companies have to pay more of the premium dollars they collect on actual medical care, not on profits.

In California, because of this provision, almost 9 million people are getting better value for their premium dollars. Furthermore, California has received over $5 million in grants from the law to fight unreasonable premium increases and to bolster scrutiny of rates.

Because of the health reform law, young adults can now stay on their family insurance plan up to age 26. Previously, insurance companies could drop coverage for young adults, many times at age 19. Now the law makes it easier and more affordable for young adults to get health insurance.

Already over 350,000 young adults in California have benefited from this provision.

This law takes great strides to equalize insurance coverage for women and

to rid the system of discriminatory practices based on gender.

The practice of ''gender-rating,'' or charging more for insurance simply because of gender, is outlawed in the health reform law. This means that women can no longer be charged higher premiums.

Over a recent 3-year period, 7.3 million women 38 percent of women who tried to buy coverage on the individual market were either rejected altogether, charged a higher premium, or sold policies that excluded certain benefit coverage because of a ''preexisting condition'' like cancer or having been pregnant.

Now, women will be guaranteed coverage at a similar rate to men.

Already, almost 2.3 million Californian women with private insurance have access to no-cost preventive services because of the law. This includes necessary cancer screenings, such as mammograms, annual wellness exams, and contraception.

Additionally, over 1.6 million women in California who are on Medicare now have access to free preventive services because of the law.

These are just a few critical consumer protections that are now in play because of the Patient Protection and Affordable Care Act, signed into law 2 years ago.

We have a long ways to go to improve our health care system and to ensure affordable quality care for all Americans, but these essential consumer protections take great strides to get us there.

RECOGNIZING RxIMPACT DAY

Mr. TESTER. Mr. President, today I wish to recognize the fourth annual RxIMPACT Day on Capitol Hill. This is a day to recognize the contribution of pharmacies to the American healthcare system. Hundreds of pharmacists, pharmacy school faculty and students, State pharmacy leaders and pharmacy company executives will visit the Capitol to share with Congress the importance of supporting legislation that protects access to neighborhood pharmacies and utilizes pharmacists to improve quality and reduce the costs of health care.

Over 260 advocates from 41 States have traveled to Washington to talk about their contributions in over 50,000 community pharmacies operating nationwide. These important health care providers are here to urge Congress to recognize the value of pharmacists and protect access to these medication experts as a part of our valued health care delivery system.

Pharmacists are some of the Nation's most accessible and trusted health care providers. Most Americans live within 5 miles of a community retail pharmacy. They are the ultimate do-it-all providers. Pharmacists prepare, bill, and dispense prescriptions. They offer patient counseling. With their specialized education, they also play a major role in medication therapy management, disease management, immunizations, and health care screenings.

Eighty-six percent of rural Americans reside within a 10-mile radius of a sole community pharmacy. As the face of community health care, pharmacies across the Nation offer these and other cost-saving programs and services to help patients take medicines appropriately to achieve positive results. For more than a century, pharmacies and pharmacists have supported folks in Montana and throughout America with these important patient care services. It is critical we work to support their unique contributions.

As we continue to make health care better and more affordable, we should adopt policies that recognize the health and financial benefits from helping patients adhere to their medications. This helps to improve health outcomes and reduces the risks of adverse events and unnecessary costly hospital readmissions and emergency room visits. Unfortunately, only half of Americans living with chronic diseases adhere to their drug regimens. Patient nonadherence costs the Nation's economy an estimated $290 billion each year, not to mention the avoidable loss of quality of life for patients and their loved ones.

Congress recognized the important role of local pharmacists when it included a medication therapy management, MTM, benefit in the Medicare Part D Program. By improving patient health outcomes, we have seen better efficiency and savings in the prescription drug program. That is why I support community pharmacys' efforts to strengthen the MTM benefit so it is available for seniors and others struggling with chronic conditions and other illnesses.

Medicaid beneficiaries also deserve access to the most cost-effective medications. The Affordable Care Act made important changes to pharmacy reimbursement for generic drugs in the Medicaid program. The Centers for Medicare and Medicaid Services recently issued a proposed rule to implement these important changes, and it will be critical for Congress to monitor this rulemaking to ensure it is consistent with congressional intent.

Finally, I would like to acknowledge the vital role pharmacies play in the field of public health. All 50 States recognize the role pharmacists play by supporting their ability to administer immunizations and other important preventative services in Medicare, both Part B and Part D, and other Federal health programs.

Today, as the cochair of the Senate Community Pharmacy Caucus, I celebrate the value of pharmacists and support efforts to protect access to neighborhood and community pharmacies. I appreciate how pharmacies improve the quality and reduce the costs of health care.

In recognition of the fourth annual NACDS RxIMPACT Day on Capitol Hill, I would like to congratulate pharmacy leaders, pharmacists, students, and executives, and the pharmacy community for their contributions to the good health of the American people.

ADDITIONAL STATEMENTS

COLORADO VETERANS RESOURCE COALITION AND CRAWFORD HOUSE

● Mr. BENNET. Mr. President, today I wish to express my support and appreciation for the Colorado Veterans Resource Coalition, CVRC, and Crawford House, which has offered our veterans in Colorado Springs a decade of support and recovery services.

CVRC was first formed on March 9, 2000, operating in a small, three-bedroom house on Cucharrus Street with a live-in house manager and two residents. Its first dormitory was later named in honor of WWII Medal of Honor recipient and proud native son of Colorado, William J. Crawford, with his family's permission.

On February 14, 2012, Crawford House marked its 10th anniversary, completing its first decade of successful veteran recovery services to homeless and disabled veterans in Colorado Springs. In that decade, more than 1,100 veterans successfully completed Veterans Administration programs, and 80 percent of these alumni remain successfully in the community. Many of these veterans reestablished relationships with their spouses, families, and friends; completed secondary and advanced education; and entered in to the workforce as self-sustaining citizens.

On December 1, 2003, the Colorado Veterans Resource Coalition and Crawford House added additional services, and on January 14, 2004, CVRC began purchasing two adjacent houses on Weber Street for graduating veterans to live in inexpensively while restarting their lives. These new facilities freed Crawford House beds to treat more homeless and disabled veterans. Today, both of these houses are fully paid for, which helps lower our future veteran treatment costs. It was my privilege to tour Crawford House and to meet with the staff and residents. The passion and commitment of those who work there, as well as their unending commitment to serving those who have served our Nation, is an inspiration and example to all Coloradans.

Therefore, Mr. President, I want the RECORD to show my deep appreciation and gratitude—along with that of all Coloradans—for the contributions of volunteers, organizations, and individuals who created, expanded, and continually improved the Colorado Veterans Resource Coalition and Crawford House.●

TRIBUTE TO WOODY HARRELL

● Mr. COCHRAN. Mr. President, on the occasion of his upcoming retirement, I

want to take this opportunity to commend Mr. Woody Harrell, Superintendent of Shiloh National Military Park, and a true scholar of the Civil War. On April 6th and 7th, Shiloh National Military Park will commemorate the 150th anniversary of the first major Civil War battle in the western theater. Shortly after the conclusion of these sesquicentennial activities, Woody Harrell will step down as Park Superintendent. His contributions to the State of Mississippi and his leadership within the National Park Service Civil War community will have a significant and long-lasting positive impact on this Nation.

A North Carolina native, Superintendent Harrell began his career at Moores Creek National Military Park in the summer of 1968. After service in the United States Army, he worked at the three parks of the Cape Hatteras group, most famously presenting a ''living history'' portrayal of aviation pioneer Orville Wright. He later served as Director of Visitor Services under the Gateway Arch in St. Louis, and as an instructor at the Horace Albright Training Center. However, the majority of his career has been spent working on Civil War sites, known by many in the National Park Service as the ''Cannonball Circuit.'' In addition to his time at Shiloh Battlefield, Superintendent Harrell's previous assignments include Historian at Chickamauga and Chattanooga National Military Park for 6 years and for 3 years at Manassas National Battlefield Park. Recently, he represented the National Service as an advisor to several Civil War Sesquicentennial planning groups.

Serving in his current capacity since August 28, 1990, Superintendent Harrell has the distinct honor of having the longest tenure of any manager in Shiloh Park's 117-year history. During a time of budget constraints and limited resources, Superintendent Harrell has not only maintained Shiloh's status as America's best preserved battlefield, he has overseen a major expansion of the park into Mississippi with the creation of a new Corinth Unit. By bringing together local, State, and national stakeholders to identify and prioritize key surviving Civil War resources, Harrell was able to build a consensus for a comprehensive plan to preserve and interpret 18 nationally significant sites in northern Mississippi and southwest Tennessee. This broad support resulted in over 1,000 acres of battlefields, fortifications, and campsites being added to the Corinth Unit.

Superintendent Harrell is credited as the visionary force in planning and constructing the flagship of this addition, the award-winning Corinth Civil War Interpretive Center. While National Park Service Interpretation at Shiloh had formerly concentrated only on the 2-day, 1862 battle, the Corinth facility now allows visitors to fully explore the whole story of the Civil War, from the causes and coming of the war, to the impact of multiple military occupations of Corinth on the civilian population, and especially to the important first steps towards full citizenship taken by over 6,000 formerly enslaved people at the Corinth Contraband Camp site.

Seeking to establish a natural buffer around historic Shiloh Hill, thus preventing future encroachment and inappropriate development, Superintendent Harrell has partnered with the Civil War Trust on Shiloh Battlefield's most ambitious land acquisition program in over 75 years. Over 300 additional acres within Shiloh's original 1894 authorized boundary are now under National Park Service protection.

Stressing preservation, commemoration, and education, Superintendent Harrell for over 2 decades has partnered with neighboring communities to promote resource protection and heritage tourism. At Corinth, he has worked with the local business community to create an annual Heritage Festival that includes 12,000 luminaries: one for each American soldier killed, wounded, or missing at the Siege and Battle of Corinth.

Even before the advent of the Internet, Superintendent Harrell conceived the Civil War Soldiers and Sailors System, an idea that has grown into a searchable electronic database with 6.2 million records on Civil War veterans. This innovative and ambitious Park Service project allows visitors to access information on relatives and the units in which they fought, enabling families to trace an ancestor's service throughout the war. All of the data entry for this project was done by volunteers, with support groups ranging from the Mormon Church to the United Daughters of the Confederacy.

During the 1990s, Harrell partnered with the Corps of Engineers and the Federal Highway Administration to halt riverbank erosion at the Shiloh Indian Mounds National Historic Landmark, a problem that had plagued the park for over 20 years. During the mitigation archeology phase of this project, Superintendent Harrell worked closely with the Chickasaw Nation to insure the tribe's involvement in preserving key cultural resources in the Shiloh portion of their original homeland.

One of Superintendent Harrell's final duties will be to premier a new Shiloh documentary film as part of the battle's sesquicentennial events. Entitled ''Shiloh: Fiery Trial,'' this new movie replaces ''Shiloh: Portrait of a Battle,'' which has been shown continuously at the park since 1956. Filmed with the participation of over 350 Civil War reenactors, ''Shiloh: Fiery Trial'' will soon be shown for the first time and then broadcast on many PBS stations on the eve of Shiloh's 150th anniversary. It is fitting that Harrell not only served as executive producer for the project, but also makes a brief cameo appearance handing a message to General Grant.

Since March 2007, Woody has maintained a record of visiting every unit of the National Park System. In the past year, he added Martin Luther King, Jr., Memorial, Paterson Great Falls National Historical Park, and Fort Monroe National Monument to his list, which now stands at 397 parks. I know Superintendent Harrell and his family will enjoy the new opportunities that come with retirement, as I understand his wife Cynthia and he have already made plans to hike the entire length of the Appalachian Trail.

Superintendent Harrell's career with the National Park Service has been marked with unprecedented accomplishments and is a superb legacy. His exceptional leadership qualities and cultural preservation eminence are in the best tradition of the Park Service. He is a consummate professional whose performance in over 43 years of service has personified those traits of competency and integrity that our Nation has come to expect of its senior civilian leaders. On the occasion of his upcoming retirement, I wish the Harrell family all the very best in the years to follow.●

RECOGNIZING HORTON'S BOOKS & GIFTS

● Mr. ISAKSON. Mr. President, today I wish to honor in the RECORD the 120th anniversary of Horton's Books & Gifts in Carrollton, GA.

In March 1892, N. A. Horton officially opened his business in the northeast section of the public square in Carrollton, GA. During his early years, N. A. Horton and his Carrollton Book Store supplied books and school supplies to local students as well as items such as sewing machines, carpet squares, china, and stationary. As Mr. Horton was an undertaker by training, his store also carried coffins and caskets.

After N. A. Horton died from a stroke in December 1916, his 20-year-old son Hewling, also known as ''Hap,'' took over the operation of the store. The store was relocated several times to different buildings around the town square, but in 1955 Hap moved the store back to its original location. In 1968, Doris Shadrix, a longtime employee, became a partner in the business and eventually the sole owner of the store. After spending a total of 42 years as an employee and owner, Mrs. Shadrix sold the business to Larry Johnson. In 1997, Mr. Johnson sold the business to the present owner, Dorothy Pittman.

Although Horton's has had five owners in its 120-year history, each proprietor has stamped his or her brand of creative individualism on the store, which has become a beloved institution in the community. Horton's has been an active participant in the continued vitality of the Carrollton downtown business district, supporting its employees as leaders and active participants in civic affairs and helping with community projects, education, and organizations.

Just as in the past, Horton's Books & Gifts continues to adapt and change to

meet the needs of its customers and the community. In 2000, the store was featured as one of the Nation's bookstores over 100 years old, and it has been the subject of many magazine and newspaper articles in the past 15 years. When the store mascot, Chloe the cat, died at age 15, she was featured on the front page of the local newspaper, the Times-Georgian. One of the first book signings for Atlanta Journal-Constitution writer Celestine Sibley was held at Horton's, as was her last. Other authors who have visited the store include Mary Kay Andrews, Terry Kay, former Georgia Governor and U.S. Senator Zell Miller, and former U.S. House Speaker Newt Gingrich.

It gives me a great deal of pleasure and it is a privilege to recognize on the floor of the Senate Horton's Books & Gifts as we honor its place in Georgia history as one of the oldest bookstores in Georgia and in the Nation.●

TRIBUTE TO DR. RICHARD E. WYLIE

● Mr. KERRY. Mr. President, today I wish to bring attention to Dr. Richard E. Wylie, Endicott College's fifth and current president. Through this post and a variety of other positions in higher education, Dr. Wylie has fully devoted himself to academic excellence.

Before assuming his role as president of Endicott College in Beverly, MA, Dr. Wylie served as a professor and administrator at a variety of other institutions, including the University of Connecticut, Temple University, and Lesley College, and served on the board of New England Association of Schools and Colleges and the board at the Association of Independent Colleges and Universities in Massachusetts. Outside of the classroom, he has written articles on higher education, authored a monograph on bilingual and multicultural education, and published a variety of children's books.

Most recently, Dr. Richard Wylie has overseen the tremendous growth and transformation of Endicott College. When he assumed his role in 1987, Endicott was a small, two-year women's college; through his efforts, the College earned four-year status, became coeducational, tripled its enrollment, and greatly expanded its academic offerings. Today, Endicott College is recognized for its variety of degree programs, including its brand new doctoral program.

Some of our country's greatest assets are educators like Dr. Wylie who go above and beyond the call of duty every single day to instill a love of knowledge in our country's citizens. His commitment to education will inspire his students well beyond graduation and will improve the sense of community and citizenship that is vital to any educational institution, and to this Nation.

I congratulate Dr. Richard E. Wylie on the occasion of his 25th Anniversary Scholarship Gala, thank him for his service in the Commonwealth of Massachusetts, and salute all that he's accomplished.●

TRIBUTE TO GLADE SANDERS

● Mr. LEE. Mr. President, today I wish to congratulate Mr. Glade Sanders, a fine Utah resident who was recently honored with the prestigious Outstanding Eagle Scout Award. Only 150 such awards have been bestowed upon individual scouts in the entire country.

Sanders also deserves congratulations for reaching the age of 100. He has spent many of those years working tirelessly in his community, including the period during the Great Depression when he led his local Boy Scouts in Troop 133 as scoutmaster. Troop 133 recently celebrated Sanders and his accomplishments during a Court of Honor.

Sanders joined the scouting program at 17 years of age. Once there, however, he spent 29 years as an active scouter. In those days, scoutmasters could become Eagles, and Sanders became the first Eagle Scout in Nephi, UT, in 1934. He also received Scouting's Silver Beaver Award. Sanders would serve as scoutmaster for 9 years, toughing out the hard times of the Great Depression and helping his scouts do the same in whatever way he could.

Today, Sanders' name is engraved at the top of a plaque recognizing all of the Eagle Scouts of Troop 133. He has dedicated his life to helping others and has earned his reward many times over by seeing young men attain the rank of Eagle. As a fellow scout, I deeply thank him for his service.●

MESSAGES FROM THE HOUSE

ENROLLED BILL SIGNED

At 10:03 a.m., a message from the House of Representatives, delivered by Mr. Novotny, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 473. An act to provide for the conveyance of approximately 140 acres of land in the Ouachita National Forest in Oklahoma to the Indian Nations Council, Inc., of the Boy Scouts of America, and for other purposes.

The enrolled bill was subsequently signed by the President pro tempore (Mr. INOUYE).

At 10:57 a.m., a message from the House of Representatives, delivered by Mr. Novotny, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 3992. An act to allow otherwise eligible Israeli nationals to receive E–2 nonimmigrant visas if similarly situated United States nationals are eligible for similar nonimmigrant status in Israel.

H.R. 4086. An act to amend chapter 97 of title 28, United States Code, to clarify the exception to foreign sovereign immunity set forth in section 1605(a)(3) of such title.

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 3992. An act to allow otherwise eligible Israeli nationals to receive E-2 nonimmigrant visas if similarly situated United States nationals are eligible for similar nonimmigrant status in Israel; to the Committee on the Judiciary.

H.R. 4086. An act to amend chapter 97 of title 28, United States Code, to clarify the exception to foreign sovereign immunity set forth in section 1605(a)(3) of such title; to the Committee on the Judiciary.

MEASURES PLACED ON THE CALENDAR

The following bill was read the second time, and placed on the calendar:

S. 2204. A bill to eliminate unnecessary tax subsidies and promote renewable energy and energy conservation.

EXECUTIVE AND OTHER COMMUNICATIONS

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

EC–5377. A communication from the Secretary of Defense, transmitting, pursuant to law, a report relative to Department of Defense counternarcotics support activities (OSS Control No. 2012–0397); to the Committee on Armed Services.

EC–5378. A communication from the Under Secretary of Defense (Acquisition, Technology and Logistics), transmitting, pursuant to law, the National Defense Stockpile (NDS) Annual Materials Plan for fiscal year 2013 and the succeeding 4 years, fiscal years 2014–2017; to the Committee on Armed Services.

EC–5379. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Implementation Plans and Operating Permits Program; Commonwealth of Puerto Rico; Administrative Changes'' (FRL No. 9645–8) received in the Office of the President of the Senate on March 14, 2012; to the Committee on Environment and Public Works.

EC–5380. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Revisions to Final Response to Petition From New Jersey Regarding SO_2 Emissions From the Portland Generating Station'' (FRL No. 9648–9) received in the Office of the President of the Senate on March 14, 2012; to the Committee on Environment and Public Works.

EC–5381. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Implementation Plans; North Dakota; Regional Haze State Implementation Plan; Federal Implementation Plan for Interstate Transport of Pollution Affecting Visibility and Regional Haze'' (FRL No. 9648–3) received in the Office of the President of the Senate on March 14, 2012; to the Committee on Environment and Public Works.

EC–5382. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Implementation Plans; New Jersey; Motor Vehicle

Enhanced Inspection and Maintenance Program'' (FRL No. 9635–5) received in the Office of the President of the Senate on March 14, 2012; to the Committee on Environment and Public Works.

EC–5383. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Implementation Plans; Designation of Areas for Air Quality Planning Purposes; State of California; Ozone; Nitrogen Dioxide; Technical Amendments'' (FRL No. 9649–1) received in the Office of the President of the Senate on March 14, 2012; to the Committee on Environment and Public Works.

EC–5384. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''OHIO: Final Authorization of State Hazardous Waste Management Program Revision'' (FRL No. 9646–5) received in the Office of the President of the Senate on March 14, 2012; to the Committee on Environment and Public Works.

EC–5385. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plans; Connecticut; Determination of Attainment of the One-hour Ozone Standard for the Greater Connecticut Area'' (FRL No. 9648–5) received in the Office of the President of the Senate on March 14, 2012; to the Committee on Environment and Public Works.

EC–5386. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''National Priorities List, Final Rule No. 53'' (FRL No. 9647–3) received in the Office of the President of the Senate on March 14, 2012; to the Committee on Environment and Public Works.

EC–5387. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Oklahoma: Final Authorization of State Hazardous Waste Management Program Revision'' (FRL No. 9647–7) received in the Office of the President of the Senate on March 14, 2012; to the Committee on Environment and Public Works.

EC–5388. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Transportation Conformity Rule Restructuring Amendments'' (FRL No. 9637–3) received in the Office of the President of the Senate on March 14, 2012; to the Committee on Environment and Public Works.

EC–5389. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Clean Air Act Full Approval of Title V Operating Permits Program; Southern Ute Indian Tribe'' (FRL No. 9646–8) received in the Office of the President of the Senate on March 14, 2012; to the Committee on Environment and Public Works.

EC–5390. A communication from the Director of Congressional Affairs, Nuclear Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled ''Ongoing Review of Operating Experience'' (LR–ISG–2011–05) received in the Office of the President of the Senate on March 15, 2012; to the Committee on Environment and Public Works.

EC–5391. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''National Emission Standards for Hazardous Air Pollutants for Polyvinyl Chloride and Copolymers Production'' (FRL No. 9636–2) received during adjournment of the Senate in the Office of the President of the Senate on March 16, 2012; to the Committee on Environment and Public Works.

EC–5392. A communication from the Director of the Regulatory Management Division, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Revocation of TSCA Section 4 Testing Requirements for Certain High Production Volume Chemical Substances'' (FRL No. 9335–6) received during adjournment of the Senate in the Office of the President of the Senate on March 16, 2012; to the Committee on Environment and Public Works.

EC–5393. A communication from the Assistant Director for Policy, Office of Foreign Assets Control, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Iranian Transactions Regulations'' (31 CFR Part 560) received during adjournment of the Senate in the Office of the President of the Senate on March 16, 2012; to the Committee on Banking, Housing, and Urban Affairs.

EC–5394. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report entitled ''2011 Actuarial Report on the Financial Outlook for Medicaid''; to the Committee on Finance.

EC–5395. A communication from the Assistant General Counsel, General Law, Ethics, and Regulation, Department of the Treasury, transmitting, pursuant to law, (2) reports relative to vacancy announcements within the Department, received during adjournment of the Senate in the Office of the President of the Senate on March 16, 2012; to the Committee on Finance.

EC–5396. A communication from the Chair of the Medicaid and CHIP Payment Access Commission, transmitting, pursuant to law, a report entitled ''Report to Congress on Medicaid and CHIP''; to the Committee on Finance.

EC–5397. A communication from the Program Manager, Centers for Medicare and Medicaid Services, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Patient Protection and Affordable Care Act; Establishment of Exchanges and Qualified Health Plans; Exchange Standards for Employers'' (RIN0938–AQ67) received during adjournment of the Senate in the Office of the President of the Senate on March 16, 2012; to the Committee on Health, Education, Labor, and Pensions.

EC–5398. A communication from the Assistant Attorney General, Civil Rights Division, Department of Justice, transmitting, pursuant to law, the report of a rule entitled ''Nondiscrimination on the Basis of Disability by Public Accommodations and in Commercial Facilities; Swimming Pools'' (RIN1190–AA68) received during adjournment of the Senate in the Office of the President of the Senate on March 16, 2012; to the Committee on Health, Education, Labor, and Pensions.

EC–5399. A communication from the Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, a correspondence from the Minister of Foreign Affairs for the Government of the Kyrgyz Republic; to the Committee on Foreign Relations.

EC–5400. A communication from the Assistant Secretary of Defense (Legislative Affairs), transmitting a legislative proposal entitled ''National Defense Authorization Act for Fiscal Year 2013''; to the Committee on Armed Services.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. LAUTENBERG (for himself, Mr. RUBIO, Mr. BROWN of Massachusetts, Mr. MERKLEY, Ms. MIKULSKI, and Mr. HARKIN):

S. 2206. A bill to amend title 38, United States Code, to require the Secretary of Veterans Affairs to provide educational counseling to individuals eligible for educational assistance under laws administered by the Secretary before such individuals receive such assistance, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. SCHUMER (for himself and Ms. COLLINS):

S. 2207. A bill to require the Office of the Ombudsman of the Transportation Security Administration to appoint passenger advocates at Category X airports to assist elderly and disabled passengers who believe they have been mistreated by TSA personnel and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mrs. GILLIBRAND:

S. 2208. A bill to amend the Export Apple Act to permit the export of apples to Canada in bulk bins without certification by the Department of Agriculture; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. BURR (for himself, Mrs. HAGAN, Mr. WICKER, and Mr. COCHRAN):

S. 2209. A bill to amend the Internal Revenue Code of 1986 to provide that the value of certain historic property shall be determined using an income approach in determining the taxable estate of a decedent; to the Committee on Finance.

By Mr. TESTER:

S. 2210. A bill to provide that Members of Congress shall not receive a cost of living adjustment in pay during 2013; to the Committee on Homeland Security and Governmental Affairs.

By Mr. MENENDEZ:

S. 2211. A bill to ban the exportation of crude oil produced on Federal land, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mrs. FEINSTEIN (for herself and Mr. HATCH):

S. 2212. A bill to clarify the exception to foreign sovereign immunity set forth in section 1605(a)(3) title 28, United States Code; to the Committee on the Judiciary.

By Mr. THUNE (for himself, Mr. VITTER, Mr. BARRASSO, Mr. BOOZMAN, Mr. BURR, Mr. CHAMBLISS, Mr. COBURN, Mr. CORNYN, Mr. CRAPO, Mr. DEMINT, Mr. ENZI, Mr. GRASSLEY, Mr. INHOFE, Mr. ISAKSON, Mr. JOHNSON of Wisconsin, Mr. MCCONNELL, Mr. PAUL, Mr. PORTMAN, Mr. RISCH, Mr. RUBIO, Mr. SESSIONS, Mr. TOOMEY, Mr. WICKER, Mr. COCHRAN, Mr. HATCH, Mr. LUGAR, Mr. GRAHAM, Ms. AYOTTE, and Mr. LEE):

S. 2213. A bill to allow reciprocity for the carrying of certain concealed firearms; to the Committee on the Judiciary.

By Mr. WARNER (for himself and Mr. WEBB):

S. 2214. A bill to remove restrictions from a parcel of land situated in the Atlantic District, Accomack County, Virginia; to the Committee on Commerce, Science, and Transportation.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Ms. STABENOW (for herself, Mr. BEGICH, Mr. LEVIN, Ms. MIKULSKI, Mrs. MURRAY, Mr. COCHRAN, Mr. JOHNSON of South Dakota, Ms. CANTWELL, and Ms. LANDRIEU):

S. Res. 400. A resolution supporting the goals and ideals of Professional Social Work Month and World Social Work Day; to the Committee on the Judiciary.

ADDITIONAL COSPONSORS

S. 543

At the request of Mr. WYDEN, the name of the Senator from Georgia (Mr. CHAMBLISS) was added as a cosponsor of S. 543, a bill to restrict any State or local jurisdiction from imposing a new discriminatory tax on cell phone services, providers, or property.

S. 557

At the request of Mr. SCHUMER, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 557, a bill to amend the Internal Revenue Code of 1986 to expand tax-free distributions from individual retirement accounts for charitable purposes.

S. 1299

At the request of Mr. MORAN, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 1299, a bill to require the Secretary of the Treasury to mint coins in commemoration of the centennial of the establishment of Lions Clubs International.

S. 1350

At the request of Mr. COONS, the name of the Senator from Maryland (Mr. CARDIN) was added as a cosponsor of S. 1350, a bill to expand the research, prevention, and awareness activities of the Centers for Disease Control and Prevention and the National Institutes of Health with respect to pulmonary fibrosis, and for other purposes.

S. 1925

At the request of Mr. HELLER, his name was added as a cosponsor of S. 1925, a bill to reauthorize the Violence Against Women Act of 1994.

S. 1935

At the request of Mrs. HAGAN, the name of the Senator from New York (Mrs. GILLIBRAND) was added as a cosponsor of S. 1935, a bill to require the Secretary of the Treasury to mint coins in recognition and celebration of the 75th anniversary of the establishment of the March of Dimes Foundation.

S. 2010

At the request of Mr. KERRY, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 2010, a bill to amend title II of the Social Security Act to repeal the Government pension offset and windfall elimination provisions.

S. 2051

At the request of Mr. REED, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 2051, a bill to amend the Higher Education Act of 1965 to extend the reduced interest rate for Federal Direct Stafford Loans.

S. 2148

At the request of Mr. INHOFE, the name of the Senator from Indiana (Mr. COATS) was added as a cosponsor of S. 2148, a bill to amend the Toxic Substance Control Act relating to lead-based paint renovation and remodeling activities.

S. 2193

At the request of Mr. MERKLEY, the name of the Senator from Connecticut (Mr. BLUMENTHAL) was added as a cosponsor of S. 2193, a bill to require the Food and Drug Administration to include devices in the postmarket risk identification and analysis system, to expedite the implementation of the unique device identification system for medical devices, and for other purposes.

S. 2204

At the request of Mr. REID, his name was added as a cosponsor of S. 2204, a bill to eliminate unnecessary tax subsidies and promote renewable energy and energy conservation.

S. RES. 380

At the request of Mr. BARRASSO, his name was added as a cosponsor of S. Res. 380, a resolution to express the sense of the Senate regarding the importance of preventing the Government of Iran from acquiring nuclear weapons capability.

S. RES. 397

At the request of Mr. COONS, the names of the Senator from Connecticut (Mr. LIEBERMAN), the Senator from Connecticut (Mr. BLUMENTHAL) and the Senator from Florida (Mr. RUBIO) were added as cosponsors of S. Res. 397, a resolution promoting peace and stability in Sudan, and for other purposes.

S. RES. 399

At the request of Mr. MENENDEZ, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. Res. 399, a resolution calling upon the President to ensure that the foreign policy of the United States reflects appropriate understanding and sensitivity concerning issues related to human rights, crimes against humanity, ethnic cleansing, and genocide documented in the United States record relating to the Armenian Genocide, and for other purposes.

At the request of Mr. REID, his name was added as a cosponsor of S. Res. 399, supra.

AMENDMENT NO. 1833

At the request of Mr. REED, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of amendment No. 1833 proposed to H.R. 3606, a bill to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies.

AMENDMENT NO. 1836

At the request of Ms. CANTWELL, the names of the Senator from Illinois (Mr. DURBIN), the Senator from New Hampshire (Mrs. SHAHEEN), the Senator from Missouri (Mrs. MCCASKILL), the Senator from Pennsylvania (Mr. CASEY) and the Senator from Connecticut (Mr. LIEBERMAN) were added as cosponsors of amendment No. 1836 proposed to H.R. 3606, a bill to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. FEINSTEIN (for herself and Mr. HATCH):

S. 2212. A bill to clarify the exception to foreign sovereign immunity set forth in section 1605(a)(3) title 28, United States Code; to the Committee on the Judiciary.

Mrs. FEINSTEIN. Mr. President, I am very pleased to join with my colleague and good friend Senator HATCH to introduce this bill, which will resolve an unsettled issue that is making it difficult for museums and universities to obtain works of art for temporary exhibition from foreign countries.

Cultural exchange with foreign nations enables the sharing of ideas and history across the globe. When foreign works are shown at American museums, they expose our people to the richness of world history and culture.

In 2011, the San Diego Museum of Art hosted an exhibition of 64 works of famous Spanish artists, such as El Greco, Pablo Picasso, Francisco Goya, and Salvador Dalí.

Also in 2011, the De Young Museum in San Francisco hosted an exhibition of more than 100 Picasso masterpieces from Paris, as well as more than 100 objects from the Olmec civilization in Mexico.

In 2009, the Los Angeles County Museum of Art hosted an exhibit containing artifacts from the Ancient Roman city of Pompeii, which was buried by a volcanic eruption and rediscovered in the 18th Century.

In 2007, the Los Angeles County Museum of Art hosted an exhibit with approximately 250 works of art created in more than seven different Latin American countries between 1492 and 1820.

Without these exhibitions coming to American museums, many Americans simply would not have the chance to see such important cultural and historical works in person. Exhibitions of such works also draw countless visitors each year, helping museums—which are vital to the preservation of our own culture and heritage—survive and thrive in difficult economic times.

For decades, American law has offered legal protection for these exhibitions. Passed in 1965, a law called the Immunity from Seizure Act, 22 U.S.C. 2459, is designed to provide the legal certainty necessary for American museums to organize such exhibitions with their foreign counterparts.

This law empowers the President or his designee to approve a foreign work for temporary exhibition or display in the United States, a process now handled by the State Department. If approval is granted, then the work of art is essentially protected from judicial process—such as a court-ordered seizure—while it is in the United States.

Unfortunately, this important law has been undermined by a decision of the U.S District Court for the District of Columbia in a case called Malewicz v. City of Amsterdam.

In this case, the City of Amsterdam had made a temporary loan of works of art for educational and cultural purposes to the Guggenheim Museum in New York and the Menil Collection in Houston Texas.

Even though the State Department's approval was sought and received for the temporary loan, the court held that the City of Amsterdam's temporary loan nevertheless subjected the City to Federal court jurisdiction in a lawsuit over the work of art.

The reason was that—even though the loan was for educational and cultural purposes, for works to be shown at museums—the City's activities nevertheless qualified as ''commercial activity'' under a provision of the Foreign Sovereign Immunities Act, 28 U.S.C. 1605(a)(3).

The result of this decision, unsurprisingly, is that foreign museums have been more reluctant to lend their art works to our museums in the United States.

The Executive Branch during the Bush administration recognized this problem and tried to correct it. It urged the D.C. Circuit to reverse the decision, saying in an amicus brief that the District Court's ruling was wrong, that it ''substantially undermine[d] the purposes'' of the Immunity from Seizure Act, and that it would ''discourage foreign states and other lenders from providing their artwork for temporary exhibit in the United States.'' Unfortunately the appeal was dismissed before the D.C. Circuit had a chance to correct this problem. That is why this bill is necessary.

Several museums in my home state—including the San Francisco Museum of Modern Art, the Asian Art Museum in San Francisco, the Los Angeles County Museum of Art, the Cantor Center for Visual Arts at Stanford University, and the Santa Barbara Museum of Art—have asked me to help restore the legal certainty that existed prior to the Malewicz decision. I know that institutions in Senator HATCH's home State of Utah have sought his help in this regard as well.

I am very pleased to say that Senator HATCH and I have worked together—along with House Judiciary Committee Chairman LAMAR SMITH, Ranking Member JOHN CONYERS, and Representatives STEVE CHABOT and STEVE COHEN—to draft a narrow bill that we hope can be enacted quickly this year.

This bill is simple. It relies on the State Department's approval process. If the State Department approves a loan of a foreign art work—essentially immunizing the work from judicial seizure under existing law—then the foreign state's activities associated with the work's exhibition cannot be used to assert jurisdiction over the foreign state under the Foreign Sovereign Immunities Act, 28 U.S.C. 1605(a)(3).

This narrow approach does only what is necessary to fix the problem created by the Malewicz decision—nothing more, nothing less.

It is important to note that this bill would not apply if the foreign state does not seek or receive the State Department's approval. The State Department requires detailed certifications and independent investigations about an art work's provenance before it grants approval. The bill also expressly would not apply to any work taken in Europe by the Nazis or their collaborators.

Once again, I thank Senator HATCH and my colleagues in the House for working with me on this important legislation, which has already passed the House of Representatives by voice vote. I urge my colleagues to join us in supporting this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 2212

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Foreign Cultural Exchange Jurisdictional Immunity Clarification Act''.

SEC. 2. CLARIFICATION OF JURISDICTIONAL IMMUNITY OF FOREIGN STATES.

(a) IN GENERAL.—Section 1605 of title 28, United States Code, is amended by adding at the end the following:

''(h) JURISDICTIONAL IMMUNITY FOR CERTAIN ART EXHIBITION ACTIVITIES.—

''(1) IN GENERAL.—If—

''(A) a work is imported into the United States from any foreign country pursuant to an agreement providing for the temporary exhibition or display of such work entered into between a foreign state that is the owner or custodian of such work and the United States or 1 or more cultural or educational institutions within the United States;

''(B) the President, or the President's designee, has determined, in accordance with Public Law 89–259 (79 Stat. 985; 22 U.S.C. 2459), that such work is of cultural significance and the temporary exhibition or display of such work is in the national interest; and

''(C) notice has been published in the Federal Register in accordance with Public Law 89–259,

any activity in the United States of such foreign state or any carrier associated with the temporary exhibit or display of such work shall not be considered to be commercial activity for purposes of subsection (a)(3).

''(2) NAZI-ERA CLAIMS.—Paragraph (1) shall not apply in any case in which—

''(A) the action is based upon a claim that the work was taken in Europe in violation of international law by a covered government during the covered period;

''(B) the court determines that the activity associated with the exhibition or display is commercial activity; and

''(C) a determination under subparagraph (B) is necessary for the court to exercise jurisdiction over the foreign state under subsection (a)(3).

''(3) DEFINITIONS.—For purposes of this subsection–

''(A) the term 'work' means a work of art or other object of cultural significance; and

''(B) the term 'covered government' means—

''(i) the Nazi government of Germany;

''(ii) any government in any area occupied by the military forces of the Nazi government of Germany;

''(iii) any government established with the assistance or cooperation of the Nazi government; and

''(iv) any government that was an ally of the Nazi government of Germany; and

''(C) the term 'covered period' means the period beginning on January 30, 1933, and ending on May 8, 1945.''.

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply to cases commenced after the date of the enactment of this Act.

Mr. HATCH. Mr. President, I join the Senator from California, Senator FEINSTEIN, in introducing legislation to clarify the legal protections for art that is loaned from overseas for exhibition in the United States. This bill passed the House yesterday by voice vote and I hope it can soon become law.

We are blessed in this country to have so many fine institutions that provide exposure to the art, culture, and history of other lands. Both public and private art museums can be found all over America, including at many of our fine universities. We must ensure that the exhibitions hosted by these museums continue to benefit all Americans.

A major exhibition can take years to develop and potential overseas lenders must be assured that their art will be legally protected while it is in the United States. Many exhibitions simply will not be possible without that assurance. We have had laws in place for decades that did just that, and they worked exactly the way they were supposed to. Specifically, the Protection from Seizure Act guaranteed that once the State Department reviewed and certified an exhibition as being in the national interest, the art was immune from legal judgments or court orders while in this country.

This legal protection was thrown into doubt by a Federal court decision several years ago. The U.S. District Court here in the Washington considered a case involving the Foreign Sovereign Immunities Act, which allows certain kinds of lawsuits against foreign countries in American courts. One of those categories is when art allegedly taken in violation of international law is present in this country in connection with a commercial activity. The court construed that condition of being present ''in connection with a commercial activity'' in a way that could include art that is here for exhibition under the Protection from Seizure Act.

The dilemma here is easy to see. These statutes are not supposed to be in conflict. Bringing art here under the protection of one statute is not supposed to create jurisdiction for a lawsuit against the lender under another statute.

The solution is also easy to see. The bill we introduce today is very short and very simple. It clarifies that the presence in this country of art under the Protection from Seizure Act does not create jurisdiction for a lawsuit under the Foreign Sovereign Immunities Act. It simply returns these two statutes to the harmony they were intended to have all along and to lift the cloud of doubt that has hung over the art exhibition process for the last several years.

I want to thank the Brigham Young University Museum of Art for bringing this issue to my attention. The BYU museum is the premier art museum in the Mountain West and the most attended university art museum in North America. BYU is the organizing institution for a major exhibition titled Beauty and Belief: Crossing Bridges with the Art of Islamic Cultures. This amazing event, which will be at BYU through September and is free to the public, includes art from a dozen foreign countries. As this project was in development, the museum director raised with me the need to clarify the law protecting art loaned for exhibition. Thankfully, the BYU exhibition was not hindered, but the Association of Art Museum Directors has documented that this is a problem elsewhere.

This is a problem that is easy to fix. It is not a partisan or an ideological issue. It is not a spending program. It involves neither regulations nor taxes. Each of our States has institutions that can benefit from this clarification. As my colleagues will see, we did put a caveat in the bill so that it will not apply to the ongoing efforts to identify and recover art and cultural objects seized by the Nazis during the World War II era.

Again, I want to applaud the BYU Museum of Art for its triumphant exhibition and for bringing this issue to my attention so that Americans can continue to enjoy this enriching and educational experience. I thank my colleague from California for introducing this bill, and for working to refine its language so that we can solve this specific problem. This short bill proves that good things can come in small packages and I hope the Senate will follow the House and quickly pass this bill.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 400—SUPPORTING THE GOALS AND IDEALS OF PROFESSIONAL SOCIAL WORK MONTH AND WORLD SOCIAL WORK DAY

Ms. STABENOW (for herself, Mr. BEGICH, Mr. LEVIN, Ms. MIKULSKI, Mrs. MURRAY, Mr. COCHRAN, Mr. JOHNSON of South Dakota, Ms. CANTWELL, and Ms. LANDRIEU) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 400

Whereas the social work profession has been instrumental in achieving advances in civil and human rights in the United States and across the globe for more than a century;

Whereas the primary mission of social work is to enhance human well-being and help meet the basic needs of all people, especially the most vulnerable;

Whereas the programs and services provided by professional social workers are essential elements of the social safety net in the United States;

Whereas social workers make a critical impact on adolescent and youth development, aging and family caregiving, child protection and family services, health-care navigation, mental- and behavioral-health treatment, assistance to members and veterans of the Armed Forces, nonprofit management and community development, and poverty reduction;

Whereas social workers function as specialists, consultants, private practitioners, educators, community leaders, policymakers, and researchers;

Whereas social workers influence many different organizations and human-service systems and are employed in workplaces ranging from private and public agencies, hospices and hospitals, schools and clinics, to businesses and corporations, military units, elected offices, think tanks, and foundations;

Whereas social workers seek to improve social functioning and social conditions for people in emotional, psychological, economic, or physical need;

Whereas social workers are experts in care coordination, case management, and therapeutic treatment for biopsychosocial issues;

Whereas social workers have roles in more than 50 different fields of practice;

Whereas social workers believe that the strength of a country depends on the ability of the majority of the people to lead productive and healthy lives;

Whereas social workers help people, who are often navigating major life challenges, find hope and new options for achieving maximum potential; and

Whereas social workers identify and address gaps in social systems that impede full participation by individuals or groups in society: Now, therefore, be it

Resolved, That the Senate—

(1) supports the goals and ideals of Professional Social Work Month and World Social Work Day;

(2) acknowledges the diligent efforts of individuals and groups who promote the importance of social work and observe Professional Social Work Month and World Social Work Day;

(3) encourages the people of the United States to engage in appropriate ceremonies and activities to promote further awareness of the life-changing role that social workers play; and

(4) recognizes with gratitude the contributions of the millions of caring individuals who have chosen to serve their communities through social work.

AMENDMENTS SUBMITTED AND PROPOSED

SA 1904. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table.

SA 1905. Mr. DEMINT submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1906. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1907. Mr. DEMINT submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1908. Mr. SANDERS submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1909. Mr. AKAKA submitted an amendment intended to be proposed by him to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1910. Mrs. FEINSTEIN submitted an amendment intended to be proposed to amendment SA 1833 proposed by Mr. REID (for Mr. REED (for himself, Ms. LANDRIEU, Mr. LEVIN, Mr. BROWN of Ohio, Mr. MERKLEY, Mr. AKAKA, Mr. WHITEHOUSE, Mr. FRANKEN, Mr. HARKIN, Mr. DURBIN, and Mrs. SHAHEEN)) to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1911. Mrs. FEINSTEIN submitted an amendment intended to be proposed to amendment SA 1833 proposed by Mr. REID (for Mr. REED (for himself, Ms. LANDRIEU, Mr. LEVIN, Mr. BROWN of Ohio, Mr. MERKLEY, Mr. AKAKA, Mr. WHITEHOUSE, Mr. FRANKEN, Mr. HARKIN, Mr. DURBIN, and Mrs. SHAHEEN)) to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1912. Mr. CHAMBLISS submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1913. Mr. CHAMBLISS submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of

Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1914. Mr. CHAMBLISS submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1915. Mr. CHAMBLISS submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1916. Mr. CHAMBLISS submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1917. Mr. CHAMBLISS submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1918. Mr. CHAMBLISS submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1919. Mr. CHAMBLISS submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1920. Mr. CHAMBLISS submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1921. Mr. CHAMBLISS submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1922. Mr. MCCAIN (for himself and Mrs. HAGAN) submitted an amendment intended to be proposed to amendment SA 1833 proposed by Mr. REID (for Mr. REED (for himself, Ms. LANDRIEU, Mr. LEVIN, Mr. BROWN of Ohio, Mr. MERKLEY, Mr. AKAKA, Mr. WHITEHOUSE, Mr. FRANKEN, Mr. HARKIN, Mr. DURBIN, and Mrs. SHAHEEN)) to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1923. Mr. MCCAIN (for himself and Mrs. HAGAN) submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1924. Mr. MERKLEY submitted an amendment intended to be proposed to amendment SA 1884 submitted by Mr. MERKLEY (for himself, Mr. BENNET, and Mr. BROWN of Massachusetts) and intended to be proposed to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1925. Mr. MERKLEY submitted an amendment intended to be proposed to amendment SA 1884 submitted by Mr. MERKLEY (for himself, Mr. BENNET, and Mr. BROWN of Massachusetts) and intended to be proposed to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1926. Mr. MERKLEY submitted an amendment intended to be proposed to amendment SA 1884 submitted by Mr. MERKLEY (for himself, Mr. BENNET, and Mr. BROWN of Massachusetts) and intended to be proposed to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1927. Mr. MERKLEY submitted an amendment intended to be proposed to amendment SA 1884 submitted by Mr. MERKLEY (for himself, Mr. BENNET, and Mr. BROWN of Massachusetts) and intended to be proposed to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1928. Mr. MERKLEY submitted an amendment intended to be proposed to amendment SA 1884 submitted by Mr. MERKLEY (for himself, Mr. BENNET, and Mr. BROWN of Massachusetts) and intended to be proposed to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1929. Mr. MERKLEY submitted an amendment intended to be proposed to amendment SA 1848 submitted by Mr. LAUTENBERG and intended to be proposed to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1930. Mr. MERKLEY submitted an amendment intended to be proposed to amendment SA 1884 submitted by Mr. MERKLEY (for himself, Mr. BENNET, and Mr. BROWN of Massachusetts) and intended to be proposed to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1931. Mr. REED submitted an amendment intended to be proposed by him to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1932. Mr. REED submitted an amendment intended to be proposed by him to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1933. Mr. REED submitted an amendment intended to be proposed by him to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1934. Mr. PAUL submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1935. Mr. CHAMBLISS submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1936. Mr. REED submitted an amendment intended to be proposed by him to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1937. Ms. LANDRIEU submitted an amendment intended to be proposed to amendment SA 1833 proposed by Mr. REID (for Mr. REED (for himself, Ms. LANDRIEU, Mr. LEVIN, Mr. BROWN of Ohio, Mr. MERKLEY, Mr. AKAKA, Mr. WHITEHOUSE, Mr. FRANKEN, Mr. HARKIN, Mr. DURBIN, and Mrs. SHAHEEN)) to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1938. Ms. AYOTTE submitted an amendment intended to be proposed by her to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1939. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 3606, supra; which was ordered to lie on the table.

SA 1940. Mr. REID proposed an amendment to the bill S. 2038, to prohibit Members of Congress and employees of Congress from using nonpublic information derived from their official positions for personal benefit, and for other purposes.

SA 1941. Mr. REID proposed an amendment to amendment SA 1940 proposed by Mr. REID to the bill S. 2038, supra.

SA 1942. Mr. REID proposed an amendment to the bill S. 2038, supra.

SA 1943. Mr. REID proposed an amendment to amendment SA 1942 proposed by Mr. REID to the bill S. 2038, supra.

SA 1944. Mr. REID proposed an amendment to amendment SA 1943 proposed by Mr. REID to the amendment SA 1942 proposed by Mr. REID to the bill S. 2038, supra.

TEXT OF AMENDMENTS

SA 1904. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. REPEAL OF AUTHORITY TO PROVIDE CERTAIN LOANS TO THE INTERNATIONAL MONETARY FUND; PROHIBITION ON LOANS TO THE FUND FOR EUROPEAN FINANCIAL STABILITY.

(a) REPEAL OF AUTHORITY TO PROVIDE CERTAIN LOANS TO THE INTERNATIONAL MONETARY FUND AND INCREASE IN THE UNITED STATES QUOTA.—

(1) REPEAL OF AUTHORITIES.—The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended—

(A) in section 17—

(i) in subsection (a)—

(I) by striking ''(1) In order'' and inserting ''In order''; and

(II) by striking paragraphs (2), (3), and (4); and

(ii) in subsection (b)—

(I) by striking ''(1) For the purpose'' and inserting ''For the purpose'';

(II) by striking ''subsection (a)(1)'' and inserting ''subsection (a)''; and

(III) by striking paragraph (2);

(B) by striking sections 64, 65, 66, and 67; and

(C) by redesignating section 68 as section 64.

(2) RESCISSION OF AMOUNTS.—

(A) IN GENERAL.—The unobligated balance of the amounts specified in subparagraph (B)—

(i) is rescinded;

(ii) shall be deposited in the general fund of the Treasury to be dedicated for the sole purpose of deficit reduction; and

(iii) may not be used as an offset for other spending increases or revenue reductions.

(B) AMOUNTS SPECIFIED.—The amounts specified in this subparagraph are the amounts appropriated under the heading ''UNITED STATES QUOTA, INTERNATIONAL MONETARY FUND'', and under the heading ''LOANS TO INTERNATIONAL MONETARY FUND'', under the heading ''INTERNATIONAL MONETARY PROGRAMS'' under the heading ''INTERNATIONAL ASSISTANCE PROGRAMS'' in title XIV of the Supplemental Appropriations Act, 2009 (Public Law 111–32; 123 Stat. 1916).

(b) PROHIBITION ON UNITED STATES LOANS TO THE INTERNATIONAL MONETARY FUND TO BE USED FOR FINANCING FOR EUROPEAN FINANCIAL STABILITY.—

(1) IN GENERAL.—Section 17 of the Bretton Woods Agreements Act (22 U.S.C. 286e–2), as amended by subsection (a)(1), is further amended by adding at the end the following:

''(e) RESTRICTION ON LOANS TO MEMBER STATES OF THE EUROPEAN UNION.—A loan may not be made under this section in a calendar year to enable the International Monetary Fund to provide financing, directly or indirectly—

''(1) to any member state of the European Union, until the ratio of the total outstanding public debt of each such member state to the gross domestic product of the member state, as of the end of the most recent fiscal year of the member state ending in the preceding calendar year, is not more than 60 percent; or

''(2) for any new credit or liquidity facility, or any new special purpose vehicle, related to European financial stability.''.

(2) UNITED STATES OPPOSITION TO INTERNATIONAL MONETARY FUND FINANCING FOR EUROPEAN FINANCIAL STABILITY.—The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.), as amended by subsection (a)(1), is further amended by adding at the end the following:

''SEC. 65. OPPOSITION OF UNITED STATES TO INTERNATIONAL MONETARY FUND FINANCING FOR EUROPEAN FINANCIAL STABILITY.

''The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to use the voice and vote of the United States to oppose the provision of financing by the Fund, directly or indirectly—

''(1) to any member state of the European Union in a calendar year, until the ratio of the total outstanding public debt of each such member state to the gross domestic product of the member state, as of the end of the most recent fiscal year of the member state ending in the preceding calendar year, is not more than 60 percent; or

''(2) for any new credit or liquidity facility, or any new special purpose vehicle, related to European financial stability.''.

(c) SENSE OF CONGRESS ON IMPLEMENTATION OF DOUBLING OF UNITED STATES QUOTA IN THE INTERNATIONAL MONETARY FUND.—It is the sense of Congress that Congress should not approve any legislation to implement the December 15, 2010, vote of the Board of Governors of the International Monetary Fund to double the quota of the United States in the Fund.

SA 1905. Mr. DEMINT submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

In lieu of the matter proposed to be inserted, insert the following:

TITLE VIII—INTERNATIONAL MONETARY FUND

SEC. 801. REPEAL OF AUTHORITY TO PROVIDE CERTAIN LOANS TO THE INTERNATIONAL MONETARY FUND; PROHIBITION ON LOANS TO THE FUND FOR EUROPEAN FINANCIAL STABILITY.

(a) REPEAL OF AUTHORITY TO PROVIDE CERTAIN LOANS TO THE INTERNATIONAL MONETARY FUND AND INCREASE IN THE UNITED STATES QUOTA.—

(1) REPEAL OF AUTHORITIES.—The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended—

(A) in section 17—

(i) in subsection (a)—

(I) by striking ''(1) In order'' and inserting ''In order''; and

(II) by striking paragraphs (2), (3), and (4); and

(ii) in subsection (b)—

(I) by striking ''(1) For the purpose'' and inserting ''For the purpose'';

(II) by striking ''subsection (a)(1)'' and inserting ''subsection (a)''; and

(III) by striking paragraph (2);

(B) by striking sections 64, 65, 66, and 67; and

(C) by redesignating section 68 as section 64.

(2) RESCISSION OF AMOUNTS.—

(A) IN GENERAL.—The unobligated balance of the amounts specified in subparagraph (B)—

(i) is rescinded;

(ii) shall be deposited in the general fund of the Treasury to be dedicated for the sole purpose of deficit reduction; and

(iii) may not be used as an offset for other spending increases or revenue reductions.

(B) AMOUNTS SPECIFIED.—The amounts specified in this subparagraph are the amounts appropriated under the heading ''UNITED STATES QUOTA, INTERNATIONAL MONETARY FUND'', and under the heading ''LOANS TO INTERNATIONAL MONETARY FUND'', under the heading ''INTERNATIONAL MONETARY PROGRAMS'' under the heading ''INTERNATIONAL ASSISTANCE PROGRAMS'' in title XIV of the Supplemental Appropriations Act, 2009 (Public Law 111–32; 123 Stat. 1916).

(b) PROHIBITION ON UNITED STATES LOANS TO THE INTERNATIONAL MONETARY FUND TO BE USED FOR FINANCING FOR EUROPEAN FINANCIAL STABILITY.—

(1) IN GENERAL.—Section 17 of the Bretton Woods Agreements Act (22 U.S.C. 286e–2), as amended by subsection (a)(1), is further amended by adding at the end the following:

''(e) RESTRICTION ON LOANS TO MEMBER STATES OF THE EUROPEAN UNION.—A loan may not be made under this section in a calendar year to enable the International Monetary Fund to provide financing, directly or indirectly—

''(1) to any member state of the European Union, until the ratio of the total outstanding public debt of each such member state to the gross domestic product of the member state, as of the end of the most recent fiscal year of the member state ending in the preceding calendar year, is not more than 60 percent; or

''(2) for any new credit or liquidity facility, or any new special purpose vehicle, related to European financial stability.''.

(2) UNITED STATES OPPOSITION TO INTERNATIONAL MONETARY FUND FINANCING FOR EUROPEAN FINANCIAL STABILITY.—The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.), as amended by subsection (a)(1), is further amended by adding at the end the following:

''SEC. 65. OPPOSITION OF UNITED STATES TO INTERNATIONAL MONETARY FUND FINANCING FOR EUROPEAN FINANCIAL STABILITY.

''The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to use the voice and vote of the United States to oppose the provision of financing by the Fund, directly or indirectly—

''(1) to any member state of the European Union in a calendar year, until the ratio of the total outstanding public debt of each such member state to the gross domestic product of the member state, as of the end of the most recent fiscal year of the member state ending in the preceding calendar year, is not more than 60 percent; or

''(2) for any new credit or liquidity facility, or any new special purpose vehicle, related to European financial stability.''.

(c) SENSE OF CONGRESS ON IMPLEMENTATION OF DOUBLING OF UNITED STATES QUOTA IN THE INTERNATIONAL MONETARY FUND.—It is the sense of Congress that Congress should not approve any legislation to implement the December 15, 2010, vote of the Board of Governors of the International Monetary Fund to double the quota of the United States in the Fund.

SA 1906. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. REPEAL OF PPACA.

(a) IN GENERAL.—

(1) JOB-KILLING HEALTH CARE LAW.—Effective as of the enactment of Public Law 111–148, such Act is repealed, and the provisions of law amended or repealed by such Act are restored or revived as if such Act had not been enacted.

(2) HEALTH CARE-RELATED PROVISIONS IN THE HEALTH CARE AND EDUCATION RECONCILIATION ACT OF 2010.—Effective as of the enactment of the Health Care and Education Reconciliation Act of 2010 (Public Law 111–152), title I and subtitle B of title II of such Act are repealed, and the provisions of law amended or repealed by such title or subtitle, respectively, are restored or revived as if such title and subtitle had not been enacted.

(b) BUDGETARY EFFECTS OF THIS ACT.—The budgetary effects of this section, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled ''Budgetary Effects of PAYGO Legislation'' for this section, submitted for printing in the Congressional Record by the Chairman of the Committee on the Budget of the House of Representatives, as long as such statement has been submitted prior to the vote on passage of this Act.

SA 1907. Mr. DEMINT submitted an amendment intended to be proposed to

amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

In lieu of the matter proposed to be inserted, insert the following:

TITLE____ MISCELLANEOUS PROVISIONS

SEC. __1. REPEAL OF PPACA.

(a) IN GENERAL.—

(1) JOB-KILLING HEALTH CARE LAW.—Effective as of the enactment of Public Law 111–148, such Act is repealed, and the provisions of law amended or repealed by such Act are restored or revived as if such Act had not been enacted.

(2) HEALTH CARE-RELATED PROVISIONS IN THE HEALTH CARE AND EDUCATION RECONCILIATION ACT OF 2010.—Effective as of the enactment of the Health Care and Education Reconciliation Act of 2010 (Public Law 111–152), title I and subtitle B of title II of such Act are repealed, and the provisions of law amended or repealed by such title or subtitle, respectively, are restored or revived as if such title and subtitle had not been enacted.

(b) BUDGETARY EFFECTS OF THIS ACT.—The budgetary effects of this section, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled ''Budgetary Effects of PAYGO Legislation'' for this section, submitted for printing in the Congressional Record by the Chairman of the Committee on the Budget of the House of Representatives, as long as such statement has been submitted prior to the vote on passage of this Act.

SA 1908. Mr. SANDERS submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

At the end of the amendment, add the following:

SEC. 817. INFORMATION AND CERTIFICATIONS ABOUT WORKFORCE NUMBERS REQUIRED FROM ENTITIES SEEKING OR RECEIVING FINANCING FROM THE EXPORT-IMPORT BANK OF THE UNITED STATES.

Section 2 of the Export-Import Bank Act of 1945 (12 U.S.C. 635) is amended by adding at the end the following:

''(i) INFORMATION AND CERTIFICATIONS ABOUT WORKFORCE NUMBERS REQUIRED FROM ENTITIES SEEKING OR RECEIVING FINANCING.—

''(1) INFORMATION REQUIRED FROM ENTITIES SEEKING FINANCING.—The Board of Directors of the Bank may not approve an application submitted on or after the date that is 90 days after the date of the enactment of the Export-Import Bank Reauthorization Act of 2012 for financing (including any guarantee, insurance, or extension of credit, or participation in any extension of credit) by the Bank for a transaction that is subject to approval by the Board unless, as a condition of providing such financing, the Bank requires the applicant to submit the following information:

''(A) The number of individuals employed by the primary exporter involved with the transaction in the United States.

''(B) The number of individuals employed by the primary exporter involved with the transaction outside the United States.

''(2) CERTIFICATIONS FROM ENTITIES RECEIVING FINANCING.—

''(A) IN GENERAL.—Not later than 1 year after the Board of Directors of the Bank approves an application submitted by an entity for financing for a transaction described in paragraph (1), and annually thereafter until the entity no longer receives financing from the Bank, the entity to which the financing was provided shall submit to the Bank a written certification of—

''(i) the percentage of the workforce of the primary exporter involved with the transaction employed in the United States that was separated from employment by the exporter during the year preceding the submission of the report; and

''(ii) the percentage of the total workforce of the primary exporter involved with the transaction that was separated from employment by the exporter during the preceding year.

''(B) TERMINATION OF ASSISTANCE TO CERTAIN ENTITIES.—If an entity to which financing was provided for a transaction described in paragraph (1) submits a certification to the Bank under subparagraph (A) in which the percentage described in clause (i) of that subparagraph is greater than the percentage described in clause (ii) of that subparagraph, the Bank may not provide any additional financing to that entity until the entity submits a certification under subparagraph (A) in which the percentage described in clause (i) of that subparagraph is not greater than the percentage described in clause (ii) of that subparagraph.

''(C) FAILURE TO SUBMIT CERTIFICATIONS; FALSE CERTIFICATIONS.—If an entity to which financing was provided for a transaction described in paragraph (1) does not submit a certification required by subparagraph (A) to the Bank by the date on which the certification is due, or submits a false certification under that subparagraph, the Bank—

''(i) shall terminate all financing provided to the entity on and after the date that is 60 days after the date on which the certification was due; and

''(ii) may not provide any additional financing to that entity.''.

SA 1909. Mr. AKAKA submitted an amendment intended to be proposed by him to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

On page 24, between lines 11 and 12, insert the following:

(d) DEFINITION OF ACCREDITED INVESTOR RULES.—Not later than the date on which the Commission revises its rules pursuant to subsection (a), the Commission shall, by rule or regulation, revise its rules to modify the definition of the term ''accredited investor'' in section 230.501 of title 17, Code of Federal Regulations—

(1) to include a natural person under section 230.501(a)(5) of title 17, Code of Federal Regulations, only if the person has an individual net worth, or joint net worth with the spouse of that person, at the time of the purchase that exceeds $3,000,000, or such higher amount as the Commission may determine better serves the public interest;

(2) to include a natural person under section 230.501(a)(6) of title 17, Code of Federal Regulations, only if the person—

(A) had an individual income in excess of $600,000 in each of the 2 most recently completed calendar years, or joint income with the spouse of that person in excess of $900,000 in each of those years; and

(B) has a reasonable expectation of reaching the same income level in the current year, or such higher amounts as the Commission may determine better serve the public interest; and

(3) to increase the amounts specified in paragraphs (1) and (2) (or such higher amounts as the Commission may determine better serve the public interest) not less than frequently than annually, at a rate at least equal to the rate of any growth in the gross national product for the preceding year.

SA 1910. Mrs. FEINSTEIN submitted an amendment intended to be proposed to amendment SA 1833 proposed by Mr. REID (for Mr. REED (for himself, Ms. LANDRIEU, Mr. LEVIN, Mr. BROWN of Ohio, Mr. MERKLEY, Mr. AKAKA, Mr. WHITEHOUSE, Mr. FRANKEN, Mr. HARKIN, Mr. DURBIN, and Mrs. SHAHEEN)) to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

On page 10, line 1, strike ''$350,000,000'' and all that follows through page 11, line 22 and insert the following: ''$200,000,000 during its most recently completed fiscal year. An issuer that is an emerging growth company as of the first day of that fiscal year and that has completed a sale of common equity securities pursuant to an effective registration statement under this title shall continue to be deemed an emerging growth company until the earliest of—

''(A) the last day of the fiscal year of the issuer during which it had total annual gross revenues of $200,000,000 or more;

''(B) the last day of the fiscal year of the issuer in which the fifth anniversary of the date of the first sale of common equity securities of the issuer pursuant to an effective registration statement under this title occurs;

''(C) the date on which such issuer is deemed to be a 'large accelerated filer', as defined in section 240.12b–2 of title 17, Code of Federal Regulations (or any successor thereto); or

''(D) the date on which the issuer has, during the previous 3-year period, issued in excess of an aggregate of $1,000,000,000 of securities, other than common equity, whether or not such securities were issued in transactions registered under this title.''.

(b) SECURITIES EXCHANGE ACT OF 1934.—Section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)) is amended—

(1) by redesignating the second paragraph designated as paragraph (77) (relating to asset-backed securities) as paragraph (79); and

(2) by adding at the end the following:

''(80) The term 'emerging growth company' means an issuer that had total annual gross revenues of less than $200,000,000 during its most recently completed fiscal year. An issuer that is an emerging growth company as of the first day of that fiscal year and that has completed a sale of common equity securities pursuant to an effective registration

statement under the Securities Act of 1933 shall continue to be deemed an emerging growth company until the earliest of—

''(A) the last day of the fiscal year of the issuer during which it had total annual gross revenues of $200,000,000 or more;

SA 1911. Mrs. FEINSTEIN submitted an amendment intended to be proposed to amendment SA 1833 proposed by Mr. REID (for Mr. REED (for himself, Ms. LANDRIEU, Mr. LEVIN, Mr. BROWN of Ohio, Mr. MERKLEY, Mr. AKAKA, Mr. WHITEHOUSE, Mr. FRANKEN, Mr. HARKIN, Mr. DURBIN, and Mrs. SHAHEEN)) to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

On page 13 line 14, strike ''2 years'' and insert ''3 years''.

SA 1912. Mr. CHAMBLISS submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

At the end of the amendment, add the following:

SEC. 817. EXPORT-IMPORT BANK EXPOSURE LIMIT BUSINESS PLAN.

(a) IN GENERAL.—Not later than August 31, 2012, the Export-Import Bank of the United States shall submit to Congress and the Comptroller General of the United States a written report that contains the following:

(1) A business plan that—

(A) includes a proposal by the Bank that recommends the appropriate exposure limit of the Bank for 2012, 2013, 2014, 2015 and beyond;

(B) justifies the recommendations of the Bank for the appropriate exposure limit; and

(C) details any anticipated growth of the Bank for 2012, 2013, 2014, 2015, and beyond—

(i) by industry sector;

(ii) by whether the products involved are short-term loans, medium-term loans, long-term loans, insurance, medium-term guarantees, or long-term guarantees; and

(iii) by key market.

(2) An analysis of the potential for increased or decreased risk of loss to the Bank as a result of the proposed exposure limit, including an analysis of increased or decreased risks associated with changes in the composition of Bank exposure, by industry sector, by product offered, and by key market.

(3) An analysis of the ability of the Bank to meet its small business and sub-Saharan Africa mandates and comply with its carbon policy mandate under the proposed exposure limit, and an analysis of any increased or decreased risk of loss associated with meeting or complying with the mandates under the proposed exposure limit.

(4) An analysis of the ability of the Bank to process, approve, and monitor authorizations, including the conducting of required economic impact analysis, under the proposed exposure limit.

(b) GAO REVIEW OF REPORT AND BUSINESS PLAN.—Not later than December 31, 2012, the Comptroller General of the United States shall submit to Congress a written analysis of the report and business plan submitted under subsection (a), which shall include such recommendations with respect to the report and business plan as the Comptroller General deems appropriate.

SA 1913. Mr. CHAMBLISS submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

Strike section 809 of the amendment and insert the following:

SEC. 809. CONTENT GUIDELINES FOR THE PROVISION OF FINANCING BY THE EXPORT-IMPORT BANK OF THE UNITED STATES.

Section 2 of the Export-Import Bank Act of 1945 (12 U.S.C. 635) is amended by adding at the end the following:

''(i) CONTENT GUIDELINES FOR THE PROVISION OF FINANCING.—

''(1) IN GENERAL.—The Bank shall, after notice and comment and Board approval, establish clear and comprehensive guidelines with respect to the content of the goods and services involved in a transaction for which the Bank will provide financing, which shall be aimed at ensuring that the Bank enables companies with operations in the United States to maintain and create jobs in the United States and contribute to a stronger national economy through the export of their goods and services.

''(2) REQUIRED CONSIDERATIONS.—In establishing the guidelines, the Bank shall take into account such considerations as the Bank deems relevant to meet the purposes described in paragraph (1), including the following:

''(A) The needs of different industry sectors to obtain financing from the Bank for exporting their products or services in order to create and maintain jobs in the United States.

''(B) The ability of companies with operations in the United States to compete effectively for export opportunities that will create and maintain jobs in the United States, particularly with respect to the Bank's content requirements and co-financing arrangements.

''(C) The totality of support, including financing and subsidies, extended by export credit agencies to support the exports of goods and services, as well as key differences in, types of trade-offs among, and national trade promotion strategies of OECD member countries and of non-OECD member countries.

''(D) Recommendations from the advisory committee established under section 3(d), including any dissenting views.

''(E) Any findings or recommendations of the Government Accountability Office pertaining to the ability of the Bank to provide financing that is competitive with the financing provided by foreign export credit agencies, to enable companies with operations in the United States to contribute to a stronger United States economy by maintaining or increasing the employment of workers in the United States through the export of goods and services.

''(F) The effects of the guidelines on the manufacturing workforce and service workforce of the United States.

''(G) The effect of changes to current Bank content requirements on the incentive for companies to create and maintain operations in the United States in order to increase the employment of workers in the United States.

''(3) SEPARATE GUIDELINES.—

''(A) The Bank may establish separate guidelines under this subsection for services and for goods.

''(B) The Bank may establish separate guidelines under this subsection for small business concerns (as defined in section 3(a) of the Small Business Act).

''(C) The Bank may continue separate guidelines under this subsection with respect to different terms and products.

''(4) CERTIFICATION THAT DOMESTIC CONTENT HAS NOT BEEN REDUCED BECAUSE OF THE GUIDELINES.—In determining whether to provide financing for a proposed transaction, the exporter shall certify that the domestic content of a good has not been reduced solely as a result of the guidelines.

''(5) PROCEDURAL PROVISIONS.—Within 60 days after the date of the enactment of this Act, the Bank shall publish a notice with respect to the issuance or modification of guidelines under this subsection. Within 60 days after the end of the public comment period otherwise required by law with respect to the issuance or modification of the guidelines, the Bank shall submit to the Congress, for its review, the guidelines in proposed final form. At the end of the 60-day period that begins with the date the proposed final guidelines are so submitted, the proposed final guidelines shall be considered a final agency action for all purposes and shall take effect and be implemented immediately.

''(6) TERM.—Every 2 years, the Bank shall review and, as appropriate, modify the guidelines, subject to paragraph (5).

''(7) REPORT TO CONGRESS.—Within 1 year after the implementation of new or modified guidelines under this subsection, the Inspector General of the Bank shall submit to the Congress a report evaluating the guidelines, which shall include—

''(A) a discussion of the considerations required to be taken into account in establishing the guidelines, a comparison of how the guidelines reflect each consideration, and a description of the extent to which the guidelines enabled companies with operations in the United States who submitted an application for financing from the Bank to maintain and create jobs in the United States and contribute to a stronger national economy through the export of their goods and services;

''(B) a description of the effect of the guidelines on the number of domestic jobs to be supported, the kinds of domestic jobs to be supported, including their duration and geographic location, and the existence and nature of any transfers of technology or production; and

''(C) recommendations for how the guidelines could be modified to better facilitate exports of goods and services from the United States in order to maintain and create jobs in the United States and contribute to a stronger national economy.''.

SA 1914. Mr. CHAMBLISS submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, to

increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

At the end of the amendment, add the following:

SEC. 817. NON-SUBORDINATION REQUIREMENT.

Section 2 of the Export-Import Bank Act of 1945 (12 U.S.C. 635) is amended by adding at the end the following:

''(i) NON-SUBORDINATION REQUIREMENT.—In entering into financing contracts, the Bank shall seek a creditor status which is not subordinate to that of all other creditors, in order to reduce the risk to, and enhance recoveries for, the Bank.''.

SA 1915. Mr. CHAMBLISS submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

At the end of the amendment, add the following:

SEC. 817. IMPROVEMENT OF METHOD FOR CALCULATING THE EFFECTS OF FINANCING BY THE EXPORT-IMPORT BANK OF THE UNITED STATES ON JOB CREATION AND MAINTENANCE IN THE UNITED STATES.

(a) GAO STUDY.—The Comptroller General of the United States shall conduct a study of the process and methodology used by the Export-Import Bank of the United States (in this section referred to as the ''Bank'') to calculate the effects of the provision of financing by the Bank on the creation and maintenance of employment in the United States, determine and assess the basis on which the Bank has used that methodology, and make any recommendations the Comptroller General deems appropriate.

(b) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General shall submit to Congress and the Bank the results of the study required by subsection (a).

(c) IMPLEMENTATION OF RECOMMENDATIONS.—If the report submitted pursuant to subsection (b) includes recommendations, the Bank may establish a more accurate methodology of the kind described in subsection (a) based on the recommendations.

SA 1916. Mr. CHAMBLISS submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

At the end of the amendment, add the following:

SEC. 817. PERIODIC AUDITS OF TRANSACTIONS OF THE EXPORT-IMPORT BANK OF THE UNITED STATES.

(a) IN GENERAL.—Not later than 2 years after the date of the enactment of this Act, and periodically (but not less frequently than every 4 years) thereafter, the Comptroller General of the United States shall conduct an audit of the loan and guarantee transactions of the Export-Import Bank of the United States to determine the compliance of the Bank with the underwriting guidelines, lending policies, due diligence procedures, and content guidelines of the Bank.

(b) REVIEW OF FRAUD CONTROLS.—The Comptroller General of the United States shall review the adequacy of the design and effectiveness of the controls used by the Export-Import Bank of the United States to prevent, detect, and investigate fraudulent applications for loans and guarantees, including by auditing a sample of Bank transactions, and submit to Congress a written report that contains such recommendations with respect to the controls as the Comptroller General deems appropriate.

SA 1917. Mr. CHAMBLISS submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

At the end of the amendment, add the following:

SEC. 817. FOREIGN AIR CARRIERS ECONOMIC IMPACT ANALYSES.

Section 2 of the Export-Import Bank Act of 1945 (12 U.S.C. 635) is amended by adding at the end the following:

''(i) FOREIGN AIR CARRIERS ECONOMIC IMPACT ANALYSES.—

''(1) PROCEDURES TO REDUCE ADVERSE EFFECTS OF LOANS AND GUARANTEES.—

''(A) NOTICE AND COMMENT REQUIREMENTS.—

''(i) IN GENERAL.—Before considering or approving any application for a loan or financial guarantee that may be used in whole or in part to purchase large air carrier aircraft, the Bank shall—

''(I) publish in the Federal Register a notice of the application;

''(II) provide a period of not less than 14 days (which, on request by any affected party, shall be extended to a period of not more than 30 days) for the submission to the Bank of comments on the economic or other potentially adverse effects of the provision of the loan or guarantee; and

''(III) seek comments on the economic or other potentially adverse effects of the provision of the loan or guarantee from the Department of Commerce, the Office of Management and Budget, the Committee on Banking, Housing, and Urban Affairs of the Senate, and the Committee on Financial Services of the House of Representatives.

''(ii) CONTENT OF NOTICE.—The notice published under clause (i)(I) with respect to an application for a loan or financial guarantee that may be used in whole or in part to purchase large air carrier aircraft shall include appropriate information about—

''(I) the country to which the aircraft will be shipped;

''(II) the type of aircraft being exported;

''(III) the amount of the loan or guarantee;

''(IV) the number of aircraft that would be produced as a result of the provision of the loan or guarantee.

''(B) PROCEDURE REGARDING MATERIALLY CHANGED APPLICATIONS.—If a material change is made to an application to which subparagraph (A)(i) applies, after a notice with respect to the application is published under subparagraph (A)(i)(I), the Bank shall publish in the Federal Register a revised notice of the application and provide for an additional comment period as provided in subparagraph (A)(i)(II).

''(C) REQUIREMENT TO ADDRESS VIEWS OF ADVERSELY AFFECTED PERSONS.—Before taking final action on an application to which subparagraph (A)(i) applies, the staff of the Bank shall provide in writing to the Board of Directors the views of any person who submitted comments on the application pursuant to this paragraph.

''(D) PUBLICATION OF CONCLUSIONS.—Within 30 days after a party affected by a final decision of the Board of Directors with respect to a loan or guarantee to which subparagraph (A)(i) applies makes a written request therefor, the Bank shall provide to the affected party a non-confidential summary of the facts found and conclusions reached in any detailed economic impact analysis or similar study with respect to the loan or guarantee, that was submitted to the Board of Directors.

''(2) DEFINITIONS.—In this subsection:

''(A) LARGE AIR CARRIER AIRCRAFT.—The term 'large air carrier aircraft', means an aircraft designed to hold seats for at least 31 passengers.

''(B) MATERIAL CHANGE.—The term 'material change', with respect to an application for a loan or guarantee that may be used in whole or in part to purchase large air carrier aircraft, includes—

''(i) a change of at least 25 percent in the amount of a loan or guarantee requested in the application; and

''(ii) a change in the type or number of aircraft to be produced as a result of any transaction that would be facilitated by the provision of the loan or guarantee.''.

SA 1918. Mr. CHAMBLISS submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

At the end of the amendment, add the following:

SEC. 817. PUBLICATION OF GUIDELINES FOR ECONOMIC IMPACT ANALYSES AND DOCUMENTATION OF SUCH ANALYSES.

(a) PUBLICATION OF GUIDELINES.—Not later than 90 days after the date of the enactment of this Act, the Export-Import Bank of the United States shall develop and make publicly available methodological guidelines to be used by the Bank in conducting economic impact analyses or similar studies under section 2(e) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(e)). In developing the guidelines, the Bank shall take into consideration any relevant guidance from the Office of Management and Budget.

(b) MAINTENANCE OF DOCUMENTATION.—Section 2(e)(7) of the Export-Import Bank Act of

1945 (12 U.S.C. 635(e)(7)) is amended by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively, and inserting after subparagraph (D) the following:

''(E) MAINTENANCE OF DOCUMENTATION.—The Bank shall maintain documentation relating to economic impact analyses and similar studies conducted under this subsection in a manner consistent with the Standards for Internal Control of the Federal Government issued by the Comptroller General of the United States.''.

SA 1919. Mr. CHAMBLISS submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

At the end of the amendment, add the following:

SEC. 817. DISCLOSURE REQUIREMENT FOR BOARD MEETINGS.

Section 3(c)(9) of the Export-Import Bank Act of 1945 (12 U.S.C. 635a(c)(9)) is amended by adding at the end the following new sentence: ''Not later than 25 days before any meeting of the Board for final consideration of a transaction the value of which exceeds $75,000,000, and concurrent with any statement required to be submitted under section 2(b)(3) with respect to the transaction, the Bank shall post a notice on the website of the Bank that includes a description of the item proposed to be financed, the identities of the obligor, principal supplier, and guarantor, and a description of any item with respect to which Bank financing is being sought, in a manner that does not disclose any information that is confidential or proprietary business information, that would violate the Trade Secrets Act, or that would jeopardize jobs in the United States by supplying information which competitors could use to compete with companies in the United States.''.

SA 1920. Mr. CHAMBLISS submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

Strike section 812 of the amendment and insert the following:

SEC. 812. REPORT BY THE COMPTROLLER GENERAL OF THE UNITED STATES ON THE ROLE OF THE EXPORT-IMPORT BANK OF THE UNITED STATES IN THE WORLD ECONOMY AND THE BANK'S RISK MANAGEMENT.

Not later than 1 year after the date of the enactment of this Act, the Comptroller General of the United States shall complete and submit to the Export-Import Bank of the United States, the Committee on Banking, Housing, and Urban Affairs of the Senate, and the Committee on Financial Services of the House of Representatives a report that evaluates—

(1) the history of the rate of growth of the Bank, and its causes, with specific consideration given to—

(A) the capital market conditions for export financing;

(B) increased competition from foreign export credit agencies;

(C) the rate of growth of the Bank from 2008 to the present;

(2) the effectiveness of the Bank's risk management, including—

(A) potential for losses from each of the products offered by the Bank; and

(B) the overall risk of the Bank's portfolio, taking into account—

(i) market risk;

(ii) credit risk;

(iii) political risk;

(iv) industry-concentration risk;

(v) geographic-concentration risk;

(vi) obligor-concentration risk; and

(vii) foreign-currency risk;

(3) the Bank's use of historical default and recovery rates to calculate future program costs, taking into consideration cost estimates determined under the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.) and whether discount rates applied to cost estimates should reflect the risks described in paragraph (2);

(4) the fees charged by the Bank for the products the Bank offers, whether the Bank's fees properly reflect the risks described in paragraph (2), and how the fees are affected by United States participation in international agreements; and

(5) whether the Bank's loan loss reserves policy is sufficient to cover the risks described in paragraph (2).

SA 1921. Mr. CHAMBLISS submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

At the end of the amendment, add the following:

SEC. 817. CATEGORIZATION OF PURPOSE OF LOANS AND LONG-TERM GUARANTEES IN ANNUAL REPORT.

Section 8 of the Export-Import Bank Act of 1945 (12 U.S.C. 635g), as amended by sections 808 and 810, is amended by adding at the end the following:

''(i) CATEGORIZATION OF PURPOSE OF LOANS AND LONG-TERM GUARANTEES.—In the annual report of the Bank under subsection (a), the Bank shall categorize each loan and long-term guarantee made by the Bank in the fiscal year covered by the report, and according to the following purposes:

''(1) 'To assume commercial or political risk that exporter or private financial institutions are unwilling or unable to undertake'.

''(2) 'To overcome maturity or other limitations in private sector export financing'.

''(3) 'To meet competition from a foreign, officially sponsored, export credit competition'.

''(4) 'Not identified', and the reason why the purpose is not identified.''.

SA 1922. Mr. MCCAIN (for himself and Mrs. HAGAN) submitted an amendment intended to be proposed to amendment SA 1833 proposed by Mr. REID (for Mr. REED (for himself, Ms. LANDRIEU, Mr. LEVIN, Mr. BROWN of Ohio, Mr. MERKLEY, Mr. AKAKA, Mr. WHITEHOUSE, Mr. FRANKEN, Mr. HARKIN, Mr. DURBIN, and Mrs. SHAHEEN)) to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE ___—FOREIGN EARNINGS REINVESTMENT

SEC. _01. SHORT TITLE.

This title may be cited as the ''Foreign Earnings Reinvestment Act''.

SEC. ___. ALLOWANCE OF TEMPORARY DIVIDENDS RECEIVED DEDUCTION FOR DIVIDENDS RECEIVED FROM A CONTROLLED FOREIGN CORPORATION.

(a) APPLICABILITY OF PROVISION.—

(1) IN GENERAL.—Subsection (f) of section 965 is amended to read as follows:

''(f) ELECTION; ELECTION YEAR.—

''(1) IN GENERAL.—The taxpayer may elect to apply this section to—

''(A) the taxpayer's last taxable year which begins before the date of the enactment of the Foreign Earnings Reinvestment Act, or

''(B) the taxpayer's first taxable year which begins during the 1-year period beginning on such date.

Such election may be made for a taxable year only if made on or before the due date (including extensions) for filing the return of tax for such taxable year.

''(C) ELECTION YEAR.—For purposes of this section, the term 'election year' means the taxable year—

''(i) which begins after the date that is one year before the date of the enactment of the Foreign Earnings Reinvestment Act, and

''(ii) to which the taxpayer elects under paragraph (1) to apply this section.''.

(2) CONFORMING AMENDMENTS.—

(A) EXTRAORDINARY DIVIDENDS.—Section 965(b)(2) of such Code is amended—

(i) by striking ''June 30, 2003'' and inserting ''September 30, 2011'', and

(ii) by adding at the end the following new sentence: ''The amounts described in clauses (i), (ii), and (iii) shall not include any amounts which were taken into account in determining the deduction under subsection (a) for any prior taxable year.''.

(B) DETERMINATIONS RELATING TO RELATED PARTY INDEBTEDNESS.—Section 965(b)(3)(B) of such Code is amended by striking ''October 3, 2004'' and inserting ''September 30, 2011''.

(C) APPLICABLE FINANCIAL STATEMENT.—Section 965(c)(1) of such Code is amended by striking ''June 30, 2003'' each place it appears and inserting ''September 30, 2011''.

(D) DETERMINATIONS RELATING TO BASE PERIOD.—Section 965(c)(2) of such Code is amended by striking ''June 30, 2003'' and inserting ''September 30, 2011''.

(b) DEDUCTION INCLUDES CURRENT AND ACCUMULATED FOREIGN EARNINGS.—

(1) IN GENERAL.—Paragraph (1) of section 965(b) of the Internal Revenue Code of 1986 is amended to read as follows:

''(1) IN GENERAL.—The amount of dividends taken into account under subsection (a) shall not exceed the sum of the current and accumulated earnings and profits described in section 959(c)(3) for the year a deduction is claimed under subsection (a), without diminution by reason of any distributions made during the election year, for all controlled foreign corporations of the United States shareholder.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 965(c) of such Code, as amended by subsection (a), is amended by striking paragraph (1) and by redesignating paragraphs (2), (3), (4), and (5), as paragraphs (1), (2), (3), and (4), respectively.

(B) Paragraph (4) of section 965(c) of such Code, as redesignated by subparagraph (A), is amended to read as follows:

''(4) CONTROLLED GROUPS.—All United States shareholders which are members of an affiliated group filing a consolidated return under section 1501 shall be treated as one United States shareholder.''.

(c) AMOUNT OF DEDUCTION.—

(1) IN GENERAL.—Paragraph (1) of section 965(a) of the Internal Revenue Code of 1986 is amended by striking ''85 percent'' and inserting ''75 percent''.

(2) BONUS DEDUCTION IN SUBSEQUENT TAXABLE YEAR FOR INCREASING JOBS.—Section 965 of such Code is amended by adding at the end the following new subsection:

''(g) BONUS DEDUCTION.—

''(1) IN GENERAL.—In the case of any taxpayer who makes an election to apply this section, there shall be allowed as a deduction for the first taxable year following the election year an amount equal to the applicable percentage of the cash dividends which are taken into account under subsection (a) with respect to such taxpayer for the election year.

''(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the applicable percentage is the amount which bears the same ratio (not greater than 1) to 10 percent as—

''(A) the excess (if any) of—

''(i) the qualified payroll of the taxpayer for the calendar year which begins with or within the first taxable year following the election year, over

''(ii) the qualified payroll of the taxpayer for calendar year 2010, bears to

''(B) 10 percent of the qualified payroll of the taxpayer for calendar year 2010.''

''(3) QUALIFIED PAYROLL.—For purposes of this paragraph:

''(A) IN GENERAL.—The term 'qualified payroll' means, with respect to a taxpayer for any calendar year, the aggregate wages (as defined in section 3121(a)) paid by the corporation during such calendar year.

''(B) EXCEPTION FOR CHANGES IN OWNERSHIP OF TRADES OR BUSINESSES.—

''(i) ACQUISITIONS.—If, after December 31, 2009, and before the close of the first taxable year following the election year, a taxpayer acquires the trade or business of a predecessor, then the qualified payroll of such taxpayer for any calendar year shall be increased by so much of the qualified payroll of the predecessor for such calendar year as was attributable to the trade or business acquired by the taxpayer.

''(ii) DISPOSITIONS.—If, after December 31, 2009, and before the close of the first taxable year following the election year, a taxpayer disposes of a trade or business, then—

''(I) the qualified payroll of such taxpayer for calendar year 2010 shall be decreased by the amount of wages for such calendar year as were attributable to the trade or business which was disposed of by the taxpayer, and

''(II) if the disposition occurs after the beginning of the first taxable year following the election year, the qualified payroll of such taxpayer for the calendar year which begins with or within such taxable year shall be decreased by the amount of wages for such calendar year as were attributable to the trade or business which was disposed of by the taxpayer.

''(C) SPECIAL RULE.—For purposes of determining qualified payroll for any calendar year after calendar year 2011, such term shall not include wages paid to any individual if such individual received compensation from the taxpayer for services performed—

''(i) after the date of the enactment of this paragraph, and

''(ii) at a time when such individual was not an employee of the taxpayer.''.

(3) REDUCTION FOR FAILURE TO MAINTAIN EMPLOYMENT LEVELS.—Paragraph (4) of section 965(b) of such Code (relating to limitations) is amended to read as follows:

''(4) REDUCTION IN BENEFITS FOR FAILURE TO MAINTAIN EMPLOYMENT LEVELS.—

''(A) IN GENERAL.—If, during the period consisting of the calendar month in which the taxpayer first receives a distribution described in subsection (a)(1) and the succeeding 23 calendar months, the taxpayer does not maintain an average employment level at least equal to the taxpayer's prior average employment, an additional amount equal to $75,000 multiplied by the number of employees by which the taxpayer's average employment level during such period falls below the prior average employment (but not exceeding the aggregate amount allowed as a deduction pursuant to subsection (a)(1)) shall be taken into income by the taxpayer during the taxable year that includes the final day of such period.

''(B) AVERAGE EMPLOYMENT LEVEL.—For purposes of this paragraph, the taxpayer's average employment level for a period shall be the average number of full-time United States employees of the taxpayer, measured at the end of each month during the period.

''(C) PRIOR AVERAGE EMPLOYMENT.—For purposes of this paragraph, the taxpayer's 'prior average employment' shall be the average number of full-time United States employees of the taxpayer during the period consisting of the 24 calendar months immediately preceding the calendar month in which the taxpayer first receives a distribution described in subsection (a)(1).

''(D) FULL-TIME UNITED STATES EMPLOYEE.—For purposes of this paragraph—

''(i) IN GENERAL.—The term 'full-time United States employee' means an individual who provides services in the United States as a full-time employee, based on the employer's standards and practices; except that regardless of the employer's classification of the employee, an employee whose normal schedule is 40 hours or more per week is considered a full-time employee.

''(ii) EXCEPTION FOR CHANGES IN OWNERSHIP OF TRADES OR BUSINESSES.—Such term does not include—

''(I) any individual who was an employee, on the date of acquisition, of any trade or business acquired by the taxpayer during the 24-month period referred to in subparagraph (A), and

''(II) any individual who was an employee of any trade or business disposed of by the taxpayer during the 24-month period referred to in subparagraph (A) or the 24-month period referred to in subparagraph (C).

''(E) AGGREGATION RULES.—In determining the taxpayer's average employment level and prior average employment, all domestic members of a controlled group shall be treated as a single taxpayer.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SA 1923. Mr. MCCAIN (for himself and Mrs. HAGAN) submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE ___—FOREIGN EARNINGS REINVESTMENT

SEC. _01. SHORT TITLE.

This title may be cited as the ''Foreign Earnings Reinvestment Act''.

SEC. ___. ALLOWANCE OF TEMPORARY DIVIDENDS RECEIVED DEDUCTION FOR DIVIDENDS RECEIVED FROM A CONTROLLED FOREIGN CORPORATION.

(a) APPLICABILITY OF PROVISION.—

(1) IN GENERAL.—Subsection (f) of section 965 is amended to read as follows:

''(f) ELECTION; ELECTION YEAR.—

''(1) IN GENERAL.—The taxpayer may elect to apply this section to—

''(A) the taxpayer's last taxable year which begins before the date of the enactment of the Foreign Earnings Reinvestment Act, or

''(B) the taxpayer's first taxable year which begins during the 1-year period beginning on such date.

Such election may be made for a taxable year only if made on or before the due date (including extensions) for filing the return of tax for such taxable year.

''(C) ELECTION YEAR.—For purposes of this section, the term 'election year' means the taxable year—

''(i) which begins after the date that is one year before the date of the enactment of the Foreign Earnings Reinvestment Act, and

''(ii) to which the taxpayer elects under paragraph (1) to apply this section.''.

(2) CONFORMING AMENDMENTS.—

(A) EXTRAORDINARY DIVIDENDS.—Section 965(b)(2) of such Code is amended—

(i) by striking ''June 30, 2003'' and inserting ''September 30, 2011'', and

(ii) by adding at the end the following new sentence: ''The amounts described in clauses (i), (ii), and (iii) shall not include any amounts which were taken into account in determining the deduction under subsection (a) for any prior taxable year.''.

(B) DETERMINATIONS RELATING TO RELATED PARTY INDEBTEDNESS.—Section 965(b)(3)(B) of such Code is amended by striking ''October 3, 2004'' and inserting ''September 30, 2011''.

(C) APPLICABLE FINANCIAL STATEMENT.—Section 965(c)(1) of such Code is amended by striking ''June 30, 2003'' each place it appears and inserting ''September 30, 2011''.

(D) DETERMINATIONS RELATING TO BASE PERIOD.—Section 965(c)(2) of such Code is amended by striking ''June 30, 2003'' and inserting ''September 30, 2011''.

(b) DEDUCTION INCLUDES CURRENT AND ACCUMULATED FOREIGN EARNINGS.—

(1) IN GENERAL.—Paragraph (1) of section 965(b) of the Internal Revenue Code of 1986 is amended to read as follows:

''(1) IN GENERAL.—The amount of dividends taken into account under subsection (a) shall not exceed the sum of the current and accumulated earnings and profits described in section 959(c)(3) for the year a deduction is claimed under subsection (a), without diminution by reason of any distributions made during the election year, for all controlled foreign corporations of the United States shareholder.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 965(c) of such Code, as amended by subsection (a), is amended by striking paragraph (1) and by redesignating paragraphs (2), (3), (4), and (5), as paragraphs (1), (2), (3), and (4), respectively.

(B) Paragraph (4) of section 965(c) of such Code, as redesignated by subparagraph (A), is amended to read as follows:

''(4) CONTROLLED GROUPS.—All United States shareholders which are members of an affiliated group filing a consolidated return under section 1501 shall be treated as one United States shareholder.''.

(c) AMOUNT OF DEDUCTION.—

(1) IN GENERAL.—Paragraph (1) of section 965(a) of the Internal Revenue Code of 1986 is amended by striking ''85 percent'' and inserting ''75 percent''.

(2) BONUS DEDUCTION IN SUBSEQUENT TAXABLE YEAR FOR INCREASING JOBS.—Section 965 of such Code is amended by adding at the end the following new subsection:

''(g) BONUS DEDUCTION.—

''(1) IN GENERAL.—In the case of any taxpayer who makes an election to apply this section, there shall be allowed as a deduction for the first taxable year following the election year an amount equal to the applicable percentage of the cash dividends which are taken into account under subsection (a) with respect to such taxpayer for the election year.

''(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the applicable percentage is the amount which bears the same ratio (not greater than 1) to 10 percent as—

''(A) the excess (if any) of—

''(i) the qualified payroll of the taxpayer for the calendar year which begins with or within the first taxable year following the election year, over

''(ii) the qualified payroll of the taxpayer for calendar year 2010, bears to

''(B) 10 percent of the qualified payroll of the taxpayer for calendar year 2010.''

''(3) QUALIFIED PAYROLL.—For purposes of this paragraph:

''(A) IN GENERAL.—The term 'qualified payroll' means, with respect to a taxpayer for any calendar year, the aggregate wages (as defined in section 3121(a)) paid by the corporation during such calendar year.

''(B) EXCEPTION FOR CHANGES IN OWNERSHIP OF TRADES OR BUSINESSES.—

''(i) ACQUISITIONS.—If, after December 31, 2009, and before the close of the first taxable year following the election year, a taxpayer acquires the trade or business of a predecessor, then the qualified payroll of such taxpayer for any calendar year shall be increased by so much of the qualified payroll of the predecessor for such calendar year as was attributable to the trade or business acquired by the taxpayer.

''(ii) DISPOSITIONS.—If, after December 31, 2009, and before the close of the first taxable year following the election year, a taxpayer disposes of a trade or business, then—

''(I) the qualified payroll of such taxpayer for calendar year 2010 shall be decreased by the amount of wages for such calendar year as were attributable to the trade or business which was disposed of by the taxpayer, and

''(II) if the disposition occurs after the beginning of the first taxable year following the election year, the qualified payroll of such taxpayer for the calendar year which begins with or within such taxable year shall be decreased by the amount of wages for such calendar year as were attributable to the trade or business which was disposed of by the taxpayer.

''(C) SPECIAL RULE.—For purposes of determining qualified payroll for any calendar year after calendar year 2011, such term shall not include wages paid to any individual if such individual received compensation from the taxpayer for services performed—

''(i) after the date of the enactment of this paragraph, and

''(ii) at a time when such individual was not an employee of the taxpayer.''.

(3) REDUCTION FOR FAILURE TO MAINTAIN EMPLOYMENT LEVELS.—Paragraph (4) of section 965(b) of such Code (relating to limitations) is amended to read as follows:

''(4) REDUCTION IN BENEFITS FOR FAILURE TO MAINTAIN EMPLOYMENT LEVELS.—

''(A) IN GENERAL.—If, during the period consisting of the calendar month in which the taxpayer first receives a distribution described in subsection (a)(1) and the succeeding 23 calendar months, the taxpayer does not maintain an average employment level at least equal to the taxpayer's prior average employment, an additional amount equal to $75,000 multiplied by the number of employees by which the taxpayer's average employment level during such period falls below the prior average employment (but not exceeding the aggregate amount allowed as a deduction pursuant to subsection (a)(1)) shall be taken into income by the taxpayer during the taxable year that includes the final day of such period.

''(B) AVERAGE EMPLOYMENT LEVEL.—For purposes of this paragraph, the taxpayer's average employment level for a period shall be the average number of full-time United States employees of the taxpayer, measured at the end of each month during the period.

''(C) PRIOR AVERAGE EMPLOYMENT.—For purposes of this paragraph, the taxpayer's 'prior average employment' shall be the average number of full-time United States employees of the taxpayer during the period consisting of the 24 calendar months immediately preceding the calendar month in which the taxpayer first receives a distribution described in subsection (a)(1).

''(D) FULL-TIME UNITED STATES EMPLOYEE.—For purposes of this paragraph—

''(i) IN GENERAL.—The term 'full-time United States employee' means an individual who provides services in the United States as a full-time employee, based on the employer's standards and practices; except that regardless of the employer's classification of the employee, an employee whose normal schedule is 40 hours or more per week is considered a full-time employee.

''(ii) EXCEPTION FOR CHANGES IN OWNERSHIP OF TRADES OR BUSINESSES.—Such term does not include—

''(I) any individual who was an employee, on the date of acquisition, of any trade or business acquired by the taxpayer during the 24-month period referred to in subparagraph (A), and

''(II) any individual who was an employee of any trade or business disposed of by the taxpayer during the 24-month period referred to in subparagraph (A) or the 24-month period referred to in subparagraph (C).

''(E) AGGREGATION RULES.—In determining the taxpayer's average employment level and prior average employment, all domestic members of a controlled group shall be treated as a single taxpayer.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SA 1924. Mr. MERKLEY submitted an amendment intended to be proposed to amendment SA 1884 submitted by Mr. MERKLEY (for himself, Mr. BENNET, and Mr. BROWN of Massachusetts) and intended to be proposed to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

On page 1, strike line 2 and all that follows through page 24, line 14 and insert the following:

SEC. 301. CROWDFUNDING EXEMPTION.

(a) SECURITIES ACT OF 1933.—Section 4 of the Securities Act of 1933 (15 U.S.C. 77d) is amended by adding at the end the following:

''(6) transactions involving the offer or sale of securities by an issuer (including all entities controlled by or under common control with the issuer), provided that—

''(A) the aggregate amount sold to all investors by the issuer, including any amount sold in reliance on the exemption provided under this paragraph during the 12-month period preceding the date of such transaction, is not more than $1,000,000;

''(B) the aggregate amount sold to any investor by an issuer, including any amount sold in reliance on the exemption provided under this paragraph during the 12-month period preceding the date of such transaction, does not exceed—

''(i) the greater of $2,000 or 5 percent of the annual income or net worth of such investor, as applicable, if either the annual income or the net worth of the investor is less than $100,000; and

''(ii) 10 percent of the annual income or net worth of such investor, as applicable, not to exceed a maximum aggregate amount sold of $100,000, if either the annual income or net worth of the investor is equal to or more than $100,000;

''(C) the transaction is conducted through a broker or funding portal that complies with the requirements of section 4A(a); and

''(D) the issuer complies with the requirements of section 4A(b).''.

(b) REQUIREMENTS TO QUALIFY FOR CROWDFUNDING EXEMPTION.—The Securities Act of 1933 (15 U.S.C. 77a et seq.) is amended by inserting after section 4 the following:

''SEC. 4A. REQUIREMENTS WITH RESPECT TO CERTAIN SMALL TRANSACTIONS.

''(a) REQUIREMENTS ON INTERMEDIARIES.—A person acting as an intermediary in a transaction involving the offer or sale of securities for the account of others pursuant to section 4(6) shall—

''(1) register with the Commission as—

''(A) a broker; or

''(B) a funding portal (as defined in section 3(a)(80) of the Securities Exchange Act of 1934);

''(2) register with any applicable self-regulatory organization (as defined in section 3(a)(26) of the Securities Exchange Act of 1934);

''(3) provide such disclosures, including disclosures related to risks and other investor education materials, as the Commission shall, by rule, determine appropriate;

''(4) ensure that each investor—

''(A) reviews investor-education information, in accordance with standards established by the Commission, by rule;

''(B) positively affirms that the investor understands that the investor is risking the loss of the entire investment, and that the investor could bear such a loss; and

''(C) answers questions demonstrating—

''(i) an understanding of the level of risk generally applicable to investments in startups, emerging businesses, and small issuers;

''(ii) an understanding of the risk of illiquidity; and

''(iii) an understanding of such other matters as the Commission determines appropriate, by rule;

''(5) take such measures to reduce the risk of fraud with respect to such transactions, as established by the Commission, by rule, including obtaining a background and securities enforcement regulatory history check on each officer, director, and person holding more than 20 percent of the outstanding equity of every issuer whose securities are offered by such person;

''(6) not later than 21 days prior to the first day on which securities are sold to any investor (or such other period as the Commission may establish), make available to the Commission and to potential investors any

information provided by the issuer pursuant to subsection (b);

''(7) ensure that all offering proceeds are only provided to the issuer when the aggregate capital raised from all investors is equal to or greater than a target offering amount, and allow all investors to cancel their commitments to invest, as the Commission shall, by rule, determine appropriate;

''(8) make such efforts as the Commission determines appropriate, by rule, to ensure that no investor in a 12-month period has purchased securities offered pursuant to section 4(6) that, in the aggregate, from all issuers, exceed the investment limits set forth in section 4(6)(B);

''(9) take such steps to protect the privacy of information collected from investors as the Commission shall, by rule, determine appropriate;

''(10) not compensate promoters, finders, or lead generators for providing the broker or funding portal with the personal identifying information of any potential investor;

''(11) prohibit its directors, officers, or partners (or any person occupying a similar status or performing a similar function) from having any financial interest in an issuer using its services; and

''(12) meet such other requirements as the Commission may, by rule, prescribe, for the protection of investors and in the public interest.

''(b) REQUIREMENTS FOR ISSUERS.—For purposes of section 4(6), an issuer who offers or sells securities shall—

''(1) file with the Commission and provide to investors and the relevant broker or funding portal, and make available to potential investors—

''(A) the name, legal status, physical address, and website address of the issuer;

''(B) the names of the directors and officers (and any persons occupying a similar status or performing a similar function), and each person holding more than 20 percent of the shares of the issuer;

''(C) a description of the business of the issuer and the anticipated business plan of the issuer;

''(D) a description of the financial condition of the issuer, including, for offerings that, together with all other offerings of the issuer under section 4(6) within the preceding 12-month period, have, in the aggregate, target offering amounts of—

''(i) $100,000 or less—

''(I) the income tax returns filed by the issuer for the most recently completed year (if any); and

''(II) financial statements of the issuer, which shall be certified by the principal executive officer of the issuer to be true and complete in all material respects;

''(ii) more than $100,000, but not more than $500,000, financial statements reviewed by a public accountant who is independent of the issuer, using professional standards and procedures for such review or standards and procedures established by the Commission, by rule, for such purpose; and

''(iii) more than $500,000 (or such other amount as the Commission may establish, by rule), audited financial statements;

''(E) a description of the stated purpose and intended use of the proceeds of the offering sought by the issuer with respect to the target offering amount;

''(F) the target offering amount, the deadline to reach the target offering amount, and regular updates regarding the progress of the issuer in meeting the target offering amount;

''(G) the price to the public of the securities or the method for determining the price, provided that, prior to sale, each investor shall be provided in writing the final price and all required disclosures, with a reasonable opportunity to rescind the commitment to purchase the securities;

''(H) a description of the ownership and capital structure of the issuer, including—

''(i) terms of the securities of the issuer being offered and each other class of security of the issuer, including how such terms may be modified, and a summary of the differences between such securities, including how the rights of the securities being offered may be materially limited, diluted, or qualified by the rights of any other class of security of the issuer;

''(ii) a description of how the exercise of the rights held by the principal shareholders of the issuer could negatively impact the purchasers of the securities being offered;

''(iii) the name and ownership level of each existing shareholder who owns more than 20 percent of any class of the securities of the issuer;

''(iv) how the securities being offered are being valued, and examples of methods for how such securities may be valued by the issuer in the future, including during subsequent corporate actions; and

''(v) the risks to purchasers of the securities relating to minority ownership in the issuer, the risks associated with corporate actions, including additional issuances of shares, a sale of the issuer or of assets of the issuer, or transactions with related parties; and

''(I) such other information as the Commission may, by rule, prescribe, for the protection of investors and in the public interest;

''(2) not advertise the terms of the offering, except for notices which direct investors to the funding portal or broker;

''(3) not compensate or commit to compensate, directly or indirectly, any person to promote its offerings through communication channels provided by a broker or funding portal, without taking such steps as the Commission shall, by rule, require to ensure that such person clearly discloses the receipt, past or prospective, of such compensation, upon each instance of such promotional communication;

''(4) not less than annually, file with the Commission and provide to investors reports of the results of operations and financial statements of the issuer, as the Commission shall, by rule, determine appropriate, subject to such exceptions and termination dates as the Commission may establish, by rule; and

''(5) comply with such other requirements as the Commission may, by rule, prescribe, for the protection of investors and in the public interest.

''(c) LIABILITY FOR MATERIAL MISSTATEMENTS AND OMISSIONS.—

''(1) ACTIONS AUTHORIZED.—

''(A) IN GENERAL.—Subject to paragraph (2), a person who purchases a security in a transaction exempted by the provisions of section 4(6) may bring an action against an issuer described in paragraph (2), either at law or in equity in any court of competent jurisdiction, to recover the consideration paid for such security with interest thereon, less the amount of any income received thereon, upon the tender of such security, or for damages if such person no longer owns the security.

''(B) LIABILITY.—An action brought under this paragraph shall be subject to the provisions of section 12(b) and section 13, as if the liability were created under section 12(a)(2).

''(2) APPLICABILITY.—An issuer shall be liable in an action under paragraph (1), if the issuer—

''(A) by the use of any means or instruments of transportation or communication in interstate commerce or of the mails, by any means of any written or oral communication, in the offering or sale of a security in a transaction exempted by the provisions of section 4(6), makes an untrue statement of a material fact or omits to state a material fact required to be stated or necessary in order to make the statements, in the light of the circumstances under which they were made, not misleading, provided that the purchaser did not know of such untruth or omission; and

''(B) does not sustain the burden of proof that such issuer did not know, and in the exercise of reasonable care could not have known, of such untruth or omission.

''(3) DEFINITION.—As used in this subsection, the term 'issuer' includes any person who is a director or partner of the issuer, and the principal executive officer or officers, principal financial officer, and controller or principal accounting officer of the issuer (and any person occupying a similar status or performing a similar function) that offers or sells a security in a transaction exempted by the provisions of section 4(6), and any person who offers or sells the security in such offering.

''(d) INFORMATION AVAILABLE TO STATES.—The Commission shall make, or shall cause to be made by the relevant broker or funding portal, the information described in subsection (b) and such other information as the Commission, by rule, determines appropriate, available to the securities commission (or any agency or office performing like functions) of each State and territory of the United States and the District of Columbia.

''(e) RESTRICTIONS ON SALES.—Securities issued pursuant to a transaction described in section 4(6)—

''(1) may not be transferred by the purchaser of such securities during the 1-year period beginning on the date of purchase, unless such securities are transferred—

''(A) to the issuer of the securities;

''(B) to an accredited investor;

''(C) as part of an offering registered with the Commission; or

''(D) to a member of the family of the purchaser or the equivalent, or in connection with the death or divorce of the purchaser or other similar circumstance, in the discretion of the Commission; and

''(2) shall be subject to such other limitations as the Commission shall, by rule, establish.

''(f) APPLICABILITY.—Section 4(6) shall not apply to transactions involving the offer or sale of securities by any issuer that—

''(1) is not organized under and subject to the laws of a State or territory of the United States or the District of Columbia;

''(2) is subject to the requirement to file reports pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934;

''(3) is an investment company, as defined in section 3 of the Investment Company Act of 1940, or is excluded from the definition of investment company by section 3(b) or section 3(c) of that Act; or

''(4) the Commission, by rule or regulation, determines appropriate.

''(g) RULE OF CONSTRUCTION.—Nothing in this section or section 4(6) shall be construed as preventing an issuer from raising capital through methods not described under section 4(6).

''(h) CERTAIN CALCULATIONS.—

''(1) DOLLAR AMOUNTS.—Dollar amounts in section 4(6) and subsection (b) of this section shall be adjusted by the Commission not less frequently than once every 5 years, by notice published in the Federal Register to reflect any change in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics.

''(2) INCOME AND NET WORTH.—The income and net worth of a natural person under section 4(6)(B) shall be calculated in accordance with any rules of the Commission under this

title regarding the calculation of the income and net worth, respectively, of an accredited investor.''.

(c) RULEMAKING.—Not later than 270 days after the date of enactment of this Act, the Securities and Exchange Commission (in this title referred to as the ''Commission'') shall issue such rules as the Commission determines may be necessary or appropriate for the protection of investors to carry out sections 4(6) and section 4A of the Securities Act of 1933, as added by this title. In carrying out this section, the Commission shall consult with any securities commission (or any agency or office performing like functions) of the States, any territory of the United States, and the District of Columbia, which seeks to consult with the Commission, and with any applicable national securities association.

(d) DISQUALIFICATION.—

(1) IN GENERAL.—Not later than 271 days after the date of enactment of this Act, the Commission shall, by rule, establish disqualification provisions under which—

(A) an issuer shall not be eligible to offer securities pursuant to section 4(6) of the Securities Act of 1933, as added by this title; and

(B) a broker or funding portal shall not be eligible to effect or participate in transactions pursuant to that section 4(6).

(2) INCLUSIONS.—Disqualification provisions required by this subsection shall—

(A) be substantially similar to the provisions of section 230.262 of title 17, Code of Federal Regulations (or any successor thereto); and

(B) disqualify any offering or sale of securities by a person that—

(i) is subject to a final order of a State securities commission (or an agency or officer of a State performing like functions), a State authority that supervises or examines banks, savings associations, or credit unions, a State insurance commission (or an agency or officer of a State performing like functions), an appropriate Federal banking agency, or the National Credit Union Administration, that—

(I) bars the person from—

(aa) association with an entity regulated by such commission, authority, agency, or officer;

(bb) engaging in the business of securities, insurance, or banking; or

(cc) engaging in savings association or credit union activities; or

(II) constitutes a final order based on a violation of any law or regulation that prohibits fraudulent, manipulative, or deceptive conduct within the 10-year period ending on the date of the filing of the offer or sale; or

(ii) has been convicted of any felony or misdemeanor in connection with the purchase or sale of any security or involving the making of any false filing with the Commission.

SEC. 302. EXCLUSION OF CROWDFUNDING INVESTORS FROM SHAREHOLDER CAP.

(a) EXEMPTION.—Section 12(g) of the Securities Exchange Act of 1934 (15 U.S.C. 781(g)) is amended by adding at the end the following:

''(6) EXCLUSION FOR PERSONS HOLDING CERTAIN SECURITIES.—The Commission shall, by rule, exempt, conditionally or unconditionally, securities acquired pursuant to an offering made under section 4(6) of the Securities Act of 1933 from the provisions of this subsection.''.

(b) RULEMAKING.—The Commission shall issue a rule to carry out section 12(g)(6) of the Securities Exchange Act of 1934 (15 U.S.C. 78c), as added by this section, not later than 270 days after the date of enactment of this Act.

SEC. 303. FUNDING PORTAL REGULATION.

(a) EXEMPTION.—

(1) IN GENERAL.—Section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c) is amended by adding at the end the following:

''(h) LIMITED EXEMPTION FOR FUNDING PORTALS.—

''(1) IN GENERAL.—The Commission shall, by rule, exempt, conditionally or unconditionally, a registered funding portal from the requirement to register as a broker or dealer under section 15(a)(1), provided that such funding portal—

''(A) remains subject to the examination, enforcement, and other rulemaking authority of the Commission;

''(B) is a member of a national securities association registered under section 15A; and

''(C) is subject to such other requirements under this title as the Commission determines appropriate under such rule.

''(2) NATIONAL SECURITIES ASSOCIATION MEMBERSHIP.—For purposes of sections 15(b)(8) and 15A, the term 'broker or dealer' includes a funding portal and the term 'registered broker or dealer' includes a registered funding portal, except to the extent that the Commission, by rule, determines otherwise, provided that a national securities association shall only examine for and enforce against a registered funding portal rules of such national securities association written specifically for registered funding portals.''.

(2) RULEMAKING.—The Commission shall issue a rule to carry out section 3(h) of the Securities Exchange Act of 1934 (15 U.S.C. 78c), as added by this subsection, not later than 270 days after the date of enactment of this Act.

(b) DEFINITION.—Section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)) is amended by adding at the end the following:

''(80) FUNDING PORTAL.—The term 'funding portal' means any person acting as an intermediary in a transaction involving the offer or sale of securities for the account of others, solely pursuant to section 4(6) of the Securities Act of 1933 (15 U.S.C. 77d(6)), that does not—

''(A) offer investment advice or recommendations;

''(B) solicit purchases, sales, or offers to buy the securities offered or displayed on its website or portal;

''(C) compensate employees, agents, or other persons for such solicitation or based on the sale of securities displayed or referenced on its website or portal;

''(D) hold, manage, possess, or otherwise handle investor funds or securities; or

''(E) engage in such other activities as the Commission, by rule, determines appropriate.''.

SEC. 304. RELATIONSHIP WITH STATE LAW.

(a) IN GENERAL.—Section 18(b)(4) of the Securities Act of 1933 (15 U.S.C. 77r(b)(4)) is amended—

(1) by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively; and

(2) by inserting after subparagraph (B) the following:

''(C) section 4(6);''.

(b) CLARIFICATION OF THE PRESERVATION OF STATE ENFORCEMENT AUTHORITY.—

(1) IN GENERAL.—The amendments made by subsection (a) relate solely to State registration, documentation, and offering requirements, as described under section 18(a) of Securities Act of 1933 (15 U.S.C. 77r(a)), and shall have no impact or limitation on other State authority to take enforcement action with regard to an issuer, funding portal, or any other person or entity using the exemption from registration provided by section 4(6) of that Act.

(2) CLARIFICATION OF STATE JURISDICTION OVER UNLAWFUL CONDUCT OF FUNDING PORTALS AND ISSUERS.—Section 18(c)(1) of the Securities Act of 1933 (15 U.S.C. 77r(c)(1)) is amended by striking ''with respect to fraud or deceit, or unlawful conduct by a broker or dealer, in connection with securities or securities transactions.'' and inserting the following: '', in connection with securities or securities transactions

''(A) with respect to—

''(i) fraud or deceit; or

''(ii) unlawful conduct by a broker or dealer; and

''(B) in connection to a transaction described under section 4(6), with respect to—

''(i) fraud or deceit; or

''(ii) unlawful conduct by a broker, dealer, funding portal, or issuer.''.

(c) NOTICE FILINGS PERMITTED.—Section 18(c)(2) of the Securities Act of 1933 (15 U.S.C. 77r(c)(2)) is amended by adding at the end the following:

''(F) FEES NOT PERMITTED ON CROWDFUNDED SECURITIES.—Notwithstanding subparagraphs (A), (B), and (C), no filing or fee may be required with respect to any security that is a covered security pursuant to subsection (b)(4)(B), or will be such a covered security upon completion of the transaction, except for the securities commission (or any agency or office performing like functions) of the State of the principal place of business of the issuer, or any State in which purchasers of 50 percent or greater of the aggregate amount of the issue are residents, provided that for purposes of this subparagraph, the term 'State' includes the District of Columbia and the territories of the United States.''.

(d) FUNDING PORTALS.—

(1) STATE EXEMPTIONS AND OVERSIGHT.—Section 15(i) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(i)) is amended—

(A) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(B) by inserting after paragraph (1) the following:

''(2) FUNDING PORTALS.—

''(A) LIMITATION ON STATE LAWS.—Except as provided in subparagraph (B), no State or political subdivision thereof may enforce any law, rule, regulation, or other administrative action against a registered funding portal with respect to its business as such.

''(B) EXAMINATION AND ENFORCEMENT AUTHORITY.—Subparagraph (A) does not apply with respect to the examination and enforcement of any law, rule, regulation, or administrative action of a State or political subdivision thereof in which the principal place of business of a registered funding portal is located, provided that such law, rule, regulation, or administrative action is not in addition to or different from the requirements for registered funding portals established by the Commission.

''(C) DEFINITION.—For purposes of this paragraph, the term 'State' includes the District of Columbia and the territories of the United States.''.

(2) STATE FRAUD AUTHORITY.—Section 18(c)(1) of the Securities Act of 1933 (15 U.S.C. 77r(c)(1)) is amended by striking ''or dealer'' and inserting '', dealer, or funding portal''.

SA 1925. Mr. MERKLEY submitted an amendment intended to be proposed to amendment SA 1884 submitted by Mr. MERKLEY (for himself, Mr. BENNET, and Mr. BROWN of Massachusetts) and intended to be proposed to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

On page 1, strike line 2 and all that follows through page 24, line 14 and insert the following:

SEC. 301. SHORT TITLE.

This title may be cited as the ''Capital Raising Online While Deterring Fraud and Unethical Non-Disclosure Act of 2012'' or the ''CROWDFUND Act''

SEC. 302. CROWDFUNDING EXEMPTION.

(a) SECURITIES ACT OF 1933.—Section 4 of the Securities Act of 1933 (15 U.S.C. 77d) is amended by adding at the end the following:

''(6) transactions involving the offer or sale of securities by an issuer (including all entities controlled by or under common control with the issuer), provided that—

''(A) the aggregate amount sold to all investors by the issuer, including any amount sold in reliance on the exemption provided under this paragraph during the 12-month period preceding the date of such transaction, is not more than $1,000,000;

''(B) the aggregate amount sold to any investor by an issuer, including any amount sold in reliance on the exemption provided under this paragraph during the 12-month period preceding the date of such transaction, does not exceed—

''(i) the greater of $2,000 or 5 percent of the annual income or net worth of such investor, as applicable, if either the annual income or the net worth of the investor is less than $100,000; and

''(ii) 10 percent of the annual income or net worth of such investor, as applicable, not to exceed a maximum aggregate amount sold of $100,000, if either the annual income or net worth of the investor is equal to or more than $100,000;

''(C) the transaction is conducted through a broker or funding portal that complies with the requirements of section 4A(a); and

''(D) the issuer complies with the requirements of section 4A(b).''.

(b) REQUIREMENTS TO QUALIFY FOR CROWDFUNDING EXEMPTION.—The Securities Act of 1933 (15 U.S.C. 77a et seq.) is amended by inserting after section 4 the following:

''SEC. 4A. REQUIREMENTS WITH RESPECT TO CERTAIN SMALL TRANSACTIONS.

''(a) REQUIREMENTS ON INTERMEDIARIES.—A person acting as an intermediary in a transaction involving the offer or sale of securities for the account of others pursuant to section 4(6) shall—

''(1) register with the Commission as—

''(A) a broker; or

''(B) a funding portal (as defined in section 3(a)(80) of the Securities Exchange Act of 1934);

''(2) register with any applicable self-regulatory organization (as defined in section 3(a)(26) of the Securities Exchange Act of 1934);

''(3) provide such disclosures, including disclosures related to risks and other investor education materials, as the Commission shall, by rule, determine appropriate;

''(4) ensure that each investor—

''(A) reviews investor-education information, in accordance with standards established by the Commission, by rule;

''(B) positively affirms that the investor understands that the investor is risking the loss of the entire investment, and that the investor could bear such a loss; and

''(C) answers questions demonstrating—

''(i) an understanding of the level of risk generally applicable to investments in startups, emerging businesses, and small issuers;

''(ii) an understanding of the risk of illiquidity; and

''(iii) an understanding of such other matters as the Commission determines appropriate, by rule;

''(5) take such measures to reduce the risk of fraud with respect to such transactions, as established by the Commission, by rule, including obtaining a background and securities enforcement regulatory history check on each officer, director, and person holding more than 20 percent of the outstanding equity of every issuer whose securities are offered by such person;

''(6) not later than 21 days prior to the first day on which securities are sold to any investor (or such other period as the Commission may establish), make available to the Commission and to potential investors any information provided by the issuer pursuant to subsection (b);

''(7) ensure that all offering proceeds are only provided to the issuer when the aggregate capital raised from all investors is equal to or greater than a target offering amount, and allow all investors to cancel their commitments to invest, as the Commission shall, by rule, determine appropriate;

''(8) make such efforts as the Commission determines appropriate, by rule, to ensure that no investor in a 12-month period has purchased securities offered pursuant to section 4(6) that, in the aggregate, from all issuers, exceed the investment limits set forth in section 4(6)(B);

''(9) take such steps to protect the privacy of information collected from investors as the Commission shall, by rule, determine appropriate;

''(10) not compensate promoters, finders, or lead generators for providing the broker or funding portal with the personal identifying information of any potential investor;

''(11) prohibit its directors, officers, or partners (or any person occupying a similar status or performing a similar function) from having any financial interest in an issuer using its services; and

''(12) meet such other requirements as the Commission may, by rule, prescribe, for the protection of investors and in the public interest.

''(b) REQUIREMENTS FOR ISSUERS.—For purposes of section 4(6), an issuer who offers or sells securities shall—

''(1) file with the Commission and provide to investors and the relevant broker or funding portal, and make available to potential investors—

''(A) the name, legal status, physical address, and website address of the issuer;

''(B) the names of the directors and officers (and any persons occupying a similar status or performing a similar function), and each person holding more than 20 percent of the shares of the issuer;

''(C) a description of the business of the issuer and the anticipated business plan of the issuer;

''(D) a description of the financial condition of the issuer, including, for offerings that, together with all other offerings of the issuer under section 4(6) within the preceding 12-month period, have, in the aggregate, target offering amounts of—

''(i) $100,000 or less—

''(I) the income tax returns filed by the issuer for the most recently completed year (if any); and

''(II) financial statements of the issuer, which shall be certified by the principal executive officer of the issuer to be true and complete in all material respects;

''(ii) more than $100,000, but not more than $500,000, financial statements reviewed by a public accountant who is independent of the issuer, using professional standards and procedures for such review or standards and procedures established by the Commission, by rule, for such purpose; and

''(iii) more than $500,000 (or such other amount as the Commission may establish, by rule), audited financial statements;

''(E) a description of the stated purpose and intended use of the proceeds of the offering sought by the issuer with respect to the target offering amount;

''(F) the target offering amount, the deadline to reach the target offering amount, and regular updates regarding the progress of the issuer in meeting the target offering amount;

''(G) the price to the public of the securities or the method for determining the price, provided that, prior to sale, each investor shall be provided in writing the final price and all required disclosures, with a reasonable opportunity to rescind the commitment to purchase the securities;

''(H) a description of the ownership and capital structure of the issuer, including—

''(i) terms of the securities of the issuer being offered and each other class of security of the issuer, including how such terms may be modified, and a summary of the differences between such securities, including how the rights of the securities being offered may be materially limited, diluted, or qualified by the rights of any other class of security of the issuer;

''(ii) a description of how the exercise of the rights held by the principal shareholders of the issuer could negatively impact the purchasers of the securities being offered;

''(iii) the name and ownership level of each existing shareholder who owns more than 20 percent of any class of the securities of the issuer;

''(iv) how the securities being offered are being valued, and examples of methods for how such securities may be valued by the issuer in the future, including during subsequent corporate actions; and

''(v) the risks to purchasers of the securities relating to minority ownership in the issuer, the risks associated with corporate actions, including additional issuances of shares, a sale of the issuer or of assets of the issuer, or transactions with related parties; and

''(I) such other information as the Commission may, by rule, prescribe, for the protection of investors and in the public interest;

''(2) not advertise the terms of the offering, except for notices which direct investors to the funding portal or broker;

''(3) not compensate or commit to compensate, directly or indirectly, any person to promote its offerings through communication channels provided by a broker or funding portal, without taking such steps as the Commission shall, by rule, require to ensure that such person clearly discloses the receipt, past or prospective, of such compensation, upon each instance of such promotional communication;

''(4) not less than annually, file with the Commission and provide to investors reports of the results of operations and financial statements of the issuer, as the Commission shall, by rule, determine appropriate, subject to such exceptions and termination dates as the Commission may establish, by rule; and

''(5) comply with such other requirements as the Commission may, by rule, prescribe, for the protection of investors and in the public interest.

''(c) LIABILITY FOR MATERIAL MISSTATEMENTS AND OMISSIONS.—

''(1) ACTIONS AUTHORIZED.—

''(A) IN GENERAL.—Subject to paragraph (2), a person who purchases a security in a transaction exempted by the provisions of section 4(6) may bring an action against an issuer described in paragraph (2), either at law or in equity in any court of competent jurisdiction, to recover the consideration paid for such security with interest thereon, less the amount of any income received thereon, upon the tender of such security, or for damages if such person no longer owns the security.

''(B) LIABILITY.—An action brought under this paragraph shall be subject to the provisions of section 12(b) and section 13, as if the liability were created under section 12(a)(2).

''(2) APPLICABILITY.—An issuer shall be liable in an action under paragraph (1), if the issuer—

''(A) by the use of any means or instruments of transportation or communication in interstate commerce or of the mails, by any means of any written or oral communication, in the offering or sale of a security in a transaction exempted by the provisions of section 4(6), makes an untrue statement of a material fact or omits to state a material fact required to be stated or necessary in order to make the statements, in the light of the circumstances under which they were made, not misleading, provided that the purchaser did not know of such untruth or omission; and

''(B) does not sustain the burden of proof that such issuer did not know, and in the exercise of reasonable care could not have known, of such untruth or omission.

''(3) DEFINITION.—As used in this subsection, the term 'issuer' includes any person who is a director or partner of the issuer, and the principal executive officer or officers, principal financial officer, and controller or principal accounting officer of the issuer (and any person occupying a similar status or performing a similar function) that offers or sells a security in a transaction exempted by the provisions of section 4(6), and any person who offers or sells the security in such offering.

''(d) INFORMATION AVAILABLE TO STATES.—The Commission shall make, or shall cause to be made by the relevant broker or funding portal, the information described in subsection (b) and such other information as the Commission, by rule, determines appropriate, available to the securities commission (or any agency or office performing like functions) of each State and territory of the United States and the District of Columbia.

''(e) RESTRICTIONS ON SALES.—Securities issued pursuant to a transaction described in section 4(6)—

''(1) may not be transferred by the purchaser of such securities during the 1-year period beginning on the date of purchase, unless such securities are transferred—

''(A) to the issuer of the securities;

''(B) to an accredited investor;

''(C) as part of an offering registered with the Commission; or

''(D) to a member of the family of the purchaser or the equivalent, or in connection with the death or divorce of the purchaser or other similar circumstance, in the discretion of the Commission; and

''(2) shall be subject to such other limitations as the Commission shall, by rule, establish.

''(f) APPLICABILITY.—Section 4(6) shall not apply to transactions involving the offer or sale of securities by any issuer that—

''(1) is not organized under and subject to the laws of a State or territory of the United States or the District of Columbia;

''(2) is subject to the requirement to file reports pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934;

''(3) is an investment company, as defined in section 3 of the Investment Company Act of 1940, or is excluded from the definition of investment company by section 3(b) or section 3(c) of that Act; or

''(4) the Commission, by rule or regulation, determines appropriate.

''(g) RULE OF CONSTRUCTION.—Nothing in this section or section 4(6) shall be construed as preventing an issuer from raising capital through methods not described under section 4(6).

''(h) CERTAIN CALCULATIONS.—

''(1) DOLLAR AMOUNTS.—Dollar amounts in section 4(6) and subsection (b) of this section shall be adjusted by the Commission not less frequently than once every 5 years, by notice published in the Federal Register to reflect any change in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics.

''(2) INCOME AND NET WORTH.—The income and net worth of a natural person under section 4(6)(B) shall be calculated in accordance with any rules of the Commission under this title regarding the calculation of the income and net worth, respectively, of an accredited investor.''.

(c) RULEMAKING.—Not later than 271 days after the date of enactment of this Act, the Securities and Exchange Commission (in this title referred to as the ''Commission'') shall issue such rules as the Commission determines may be necessary or appropriate for the protection of investors to carry out sections 4(6) and section 4A of the Securities Act of 1933, as added by this title. In carrying out this section, the Commission shall consult with any securities commission (or any agency or office performing like functions) of the States, any territory of the United States, and the District of Columbia, which seeks to consult with the Commission, and with any applicable national securities association.

(d) DISQUALIFICATION.—

(1) IN GENERAL.—Not later than 270 days after the date of enactment of this Act, the Commission shall, by rule, establish disqualification provisions under which—

(A) an issuer shall not be eligible to offer securities pursuant to section 4(6) of the Securities Act of 1933, as added by this title; and

(B) a broker or funding portal shall not be eligible to effect or participate in transactions pursuant to that section 4(6).

(2) INCLUSIONS.—Disqualification provisions required by this subsection shall—

(A) be substantially similar to the provisions of section 230.262 of title 17, Code of Federal Regulations (or any successor thereto); and

(B) disqualify any offering or sale of securities by a person that—

(i) is subject to a final order of a State securities commission (or an agency or officer of a State performing like functions), a State authority that supervises or examines banks, savings associations, or credit unions, a State insurance commission (or an agency or officer of a State performing like functions), an appropriate Federal banking agency, or the National Credit Union Administration, that—

(I) bars the person from—

(aa) association with an entity regulated by such commission, authority, agency, or officer;

(bb) engaging in the business of securities, insurance, or banking; or

(cc) engaging in savings association or credit union activities; or

(II) constitutes a final order based on a violation of any law or regulation that prohibits fraudulent, manipulative, or deceptive conduct within the 10-year period ending on the date of the filing of the offer or sale; or

(ii) has been convicted of any felony or misdemeanor in connection with the purchase or sale of any security or involving the making of any false filing with the Commission.

SEC. 303. EXCLUSION OF CROWDFUNDING INVESTORS FROM SHAREHOLDER CAP.

(a) EXEMPTION.—Section 12(g) of the Securities Exchange Act of 1934 (15 U.S.C. 78l(g)) is amended by adding at the end the following:

''(6) EXCLUSION FOR PERSONS HOLDING CERTAIN SECURITIES.—The Commission shall, by rule, exempt, conditionally or unconditionally, securities acquired pursuant to an offering made under section 4(6) of the Securities Act of 1933 from the provisions of this subsection.''.

(b) RULEMAKING.—The Commission shall issue a rule to carry out section 12(g)(6) of the Securities Exchange Act of 1934 (15 U.S.C. 78c), as added by this section, not later than 270 days after the date of enactment of this Act.

SEC. 304. FUNDING PORTAL REGULATION.

(a) EXEMPTION.—

(1) IN GENERAL.—Section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c) is amended by adding at the end the following:

''(h) LIMITED EXEMPTION FOR FUNDING PORTALS.—

''(1) IN GENERAL.—The Commission shall, by rule, exempt, conditionally or unconditionally, a registered funding portal from the requirement to register as a broker or dealer under section 15(a)(1), provided that such funding portal—

''(A) remains subject to the examination, enforcement, and other rulemaking authority of the Commission;

''(B) is a member of a national securities association registered under section 15A; and

''(C) is subject to such other requirements under this title as the Commission determines appropriate under such rule.

''(2) NATIONAL SECURITIES ASSOCIATION MEMBERSHIP.—For purposes of sections 15(b)(8) and 15A, the term 'broker or dealer' includes a funding portal and the term 'registered broker or dealer' includes a registered funding portal, except to the extent that the Commission, by rule, determines otherwise, provided that a national securities association shall only examine for and enforce against a registered funding portal rules of such national securities association written specifically for registered funding portals.''.

(2) RULEMAKING.—The Commission shall issue a rule to carry out section 3(h) of the Securities Exchange Act of 1934 (15 U.S.C. 78c), as added by this subsection, not later than 270 days after the date of enactment of this Act.

(b) DEFINITION.—Section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)) is amended by adding at the end the following:

''(80) FUNDING PORTAL.—The term 'funding portal' means any person acting as an intermediary in a transaction involving the offer or sale of securities for the account of others, solely pursuant to section 4(6) of the Securities Act of 1933 (15 U.S.C. 77d(6)), that does not—

''(A) offer investment advice or recommendations;

''(B) solicit purchases, sales, or offers to buy the securities offered or displayed on its website or portal;

''(C) compensate employees, agents, or other persons for such solicitation or based on the sale of securities displayed or referenced on its website or portal;

''(D) hold, manage, possess, or otherwise handle investor funds or securities; or

''(E) engage in such other activities as the Commission, by rule, determines appropriate.''.

SEC. 305. RELATIONSHIP WITH STATE LAW.

(a) IN GENERAL.—Section 18(b)(4) of the Securities Act of 1933 (15 U.S.C. 77r(b)(4)) is amended—

(1) by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively; and

(2) by inserting after subparagraph (B) the following:

''(C) section 4(6);''.

(b) CLARIFICATION OF THE PRESERVATION OF STATE ENFORCEMENT AUTHORITY.—

(1) IN GENERAL.—The amendments made by subsection (a) relate solely to State registration, documentation, and offering requirements, as described under section 18(a) of Securities Act of 1933 (15 U.S.C. 77r(a)), and shall have no impact or limitation on other State authority to take enforcement action with regard to an issuer, funding portal, or any other person or entity using the exemption from registration provided by section 4(6) of that Act.

(2) CLARIFICATION OF STATE JURISDICTION OVER UNLAWFUL CONDUCT OF FUNDING PORTALS AND ISSUERS.—Section 18(c)(1) of the Securities Act of 1933 (15 U.S.C. 77r(c)(1)) is amended by striking ''with respect to fraud or deceit, or unlawful conduct by a broker or dealer, in connection with securities or securities transactions.'' and inserting the following: '', in connection with securities or securities transactions

''(A) with respect to—

''(i) fraud or deceit; or

''(ii) unlawful conduct by a broker or dealer; and

''(B) in connection to a transaction described under section 4(6), with respect to—

''(i) fraud or deceit; or

''(ii) unlawful conduct by a broker, dealer, funding portal, or issuer.''.

(c) NOTICE FILINGS PERMITTED.—Section 18(c)(2) of the Securities Act of 1933 (15 U.S.C. 77r(c)(2)) is amended by adding at the end the following:

''(F) FEES NOT PERMITTED ON CROWDFUNDED SECURITIES.—Notwithstanding subparagraphs (A), (B), and (C), no filing or fee may be required with respect to any security that is a covered security pursuant to subsection (b)(4)(B), or will be such a covered security upon completion of the transaction, except for the securities commission (or any agency or office performing like functions) of the State of the principal place of business of the issuer, or any State in which purchasers of 50 percent or greater of the aggregate amount of the issue are residents, provided that for purposes of this subparagraph, the term 'State' includes the District of Columbia and the territories of the United States.''.

(d) FUNDING PORTALS.—

(1) STATE EXEMPTIONS AND OVERSIGHT.—Section 15(i) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(i)) is amended—

(A) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(B) by inserting after paragraph (1) the following:

''(2) FUNDING PORTALS.—

''(A) LIMITATION ON STATE LAWS.—Except as provided in subparagraph (B), no State or political subdivision thereof may enforce any law, rule, regulation, or other administrative action against a registered funding portal with respect to its business as such.

''(B) EXAMINATION AND ENFORCEMENT AUTHORITY.—Subparagraph (A) does not apply with respect to the examination and enforcement of any law, rule, regulation, or administrative action of a State or political subdivision thereof in which the principal place of business of a registered funding portal is located, provided that such law, rule, regulation, or administrative action is not in addition to or different from the requirements for registered funding portals established by the Commission.

''(C) DEFINITION.—For purposes of this paragraph, the term 'State' includes the District of Columbia and the territories of the United States.''.

(2) STATE FRAUD AUTHORITY.—Section 18(c)(1) of the Securities Act of 1933 (15 U.S.C. 77r(c)(1)) is amended by striking ''or dealer'' and inserting '', dealer, or funding portal''.

SA 1926. Mr. MERKLEY submitted an amendment intended to be proposed to amendment SA 1884 submitted by Mr. MERKLEY (for himself, Mr. BENNET, and Mr. BROWN of Massachusetts) and intended to be proposed to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

In lieu of the matter proposed to be inserted, insert the following:

TITLE III—CROWDFUNDING

SEC. 301. SHORT TITLE.

This title may be cited as the ''Capital Raising Online While Deterring Fraud and Unethical Non-Disclosure Act of 2012'' or the ''CROWDFUND Act of 2012''.

SEC. 302. CROWDFUNDING EXEMPTION.

(a) SECURITIES ACT OF 1933.—Section 4 of the Securities Act of 1933 (15 U.S.C. 77d) is amended by adding at the end the following:

''(6) transactions involving the offer or sale of securities by an issuer (including all entities controlled by or under common control with the issuer), provided that—

''(A) the aggregate amount sold to all investors by the issuer, including any amount sold in reliance on the exemption provided under this paragraph during the 12-month period preceding the date of such transaction, is not more than $1,000,000;

''(B) the aggregate amount sold to any investor by an issuer, including any amount sold in reliance on the exemption provided under this paragraph during the 12-month period preceding the date of such transaction, does not exceed—

''(i) the greater of $2,000 or 5 percent of the annual income or net worth of such investor, as applicable, if either the annual income or the net worth of the investor is less than $100,000; and

''(ii) 10 percent of the annual income or net worth of such investor, as applicable, not to exceed a maximum aggregate amount sold of $100,000, if either the annual income or net worth of the investor is equal to or more than $100,000;

''(C) the transaction is conducted through a broker or funding portal that complies with the requirements of section 4A(a); and

''(D) the issuer complies with the requirements of section 4A(b).''.

(b) REQUIREMENTS TO QUALIFY FOR CROWDFUNDING EXEMPTION.—The Securities Act of 1933 (15 U.S.C. 77a et seq.) is amended by inserting after section 4 the following:

''SEC. 4A. REQUIREMENTS WITH RESPECT TO CERTAIN SMALL TRANSACTIONS.

''(a) REQUIREMENTS ON INTERMEDIARIES.—A person acting as an intermediary in a transaction involving the offer or sale of securities for the account of others pursuant to section 4(6) shall—

''(1) register with the Commission as—

''(A) a broker; or

''(B) a funding portal (as defined in section 3(a)(80) of the Securities Exchange Act of 1934);

''(2) register with any applicable self-regulatory organization (as defined in section 3(a)(26) of the Securities Exchange Act of 1934);

''(3) provide such disclosures, including disclosures related to risks and other investor education materials, as the Commission shall, by rule, determine appropriate;

''(4) ensure that each investor—

''(A) reviews investor-education information, in accordance with standards established by the Commission, by rule;

''(B) positively affirms that the investor understands that the investor is risking the loss of the entire investment, and that the investor could bear such a loss; and

''(C) answers questions demonstrating—

''(i) an understanding of the level of risk generally applicable to investments in startups, emerging businesses, and small issuers;

''(ii) an understanding of the risk of illiquidity; and

''(iii) an understanding of such other matters as the Commission determines appropriate, by rule;

''(5) take such measures to reduce the risk of fraud with respect to such transactions, as established by the Commission, by rule, including obtaining a background and securities enforcement regulatory history check on each officer, director, and person holding more than 20 percent of the outstanding equity of every issuer whose securities are offered by such person;

''(6) not later than 20 days prior to the first day on which securities are sold to any investor (or such other period as the Commission may establish), make available to the Commission and to potential investors any information provided by the issuer pursuant to subsection (b);

''(7) ensure that all offering proceeds are only provided to the issuer when the aggregate capital raised from all investors is equal to or greater than a target offering amount, and allow all investors to cancel their commitments to invest, as the Commission shall, by rule, determine appropriate;

''(8) make such efforts as the Commission determines appropriate, by rule, to ensure that no investor in a 12-month period has purchased securities offered pursuant to section 4(6) that, in the aggregate, from all issuers, exceed the investment limits set forth in section 4(6)(B);

''(9) take such steps to protect the privacy of information collected from investors as the Commission shall, by rule, determine appropriate;

''(10) not compensate promoters, finders, or lead generators for providing the broker or funding portal with the personal identifying information of any potential investor;

''(11) prohibit its directors, officers, or partners (or any person occupying a similar status or performing a similar function) from having any financial interest in an issuer using its services; and

''(12) meet such other requirements as the Commission may, by rule, prescribe, for the protection of investors and in the public interest.

''(b) REQUIREMENTS FOR ISSUERS.—For purposes of section 4(6), an issuer who offers or sells securities shall—

''(1) file with the Commission and provide to investors and the relevant broker or funding portal, and make available to potential investors—

''(A) the name, legal status, physical address, and website address of the issuer;

''(B) the names of the directors and officers (and any persons occupying a similar status or performing a similar function), and each person holding more than 20 percent of the shares of the issuer;

''(C) a description of the business of the issuer and the anticipated business plan of the issuer;

''(D) a description of the financial condition of the issuer, including, for offerings that, together with all other offerings of the issuer under section 4(6) within the preceding 12-month period, have, in the aggregate, target offering amounts of—

''(i) $100,000 or less—

''(I) the income tax returns filed by the issuer for the most recently completed year (if any); and

''(II) financial statements of the issuer, which shall be certified by the principal executive officer of the issuer to be true and complete in all material respects;

''(ii) more than $100,000, but not more than $500,000, financial statements reviewed by a public accountant who is independent of the issuer, using professional standards and procedures for such review or standards and procedures established by the Commission, by rule, for such purpose; and

''(iii) more than $500,000 (or such other amount as the Commission may establish, by rule), audited financial statements;

''(E) a description of the stated purpose and intended use of the proceeds of the offering sought by the issuer with respect to the target offering amount;

''(F) the target offering amount, the deadline to reach the target offering amount, and regular updates regarding the progress of the issuer in meeting the target offering amount;

''(G) the price to the public of the securities or the method for determining the price, provided that, prior to sale, each investor shall be provided in writing the final price and all required disclosures, with a reasonable opportunity to rescind the commitment to purchase the securities;

''(H) a description of the ownership and capital structure of the issuer, including—

''(i) terms of the securities of the issuer being offered and each other class of security of the issuer, including how such terms may be modified, and a summary of the differences between such securities, including how the rights of the securities being offered may be materially limited, diluted, or qualified by the rights of any other class of security of the issuer;

''(ii) a description of how the exercise of the rights held by the principal shareholders of the issuer could negatively impact the purchasers of the securities being offered;

''(iii) the name and ownership level of each existing shareholder who owns more than 20 percent of any class of the securities of the issuer;

''(iv) how the securities being offered are being valued, and examples of methods for how such securities may be valued by the issuer in the future, including during subsequent corporate actions; and

''(v) the risks to purchasers of the securities relating to minority ownership in the issuer, the risks associated with corporate actions, including additional issuances of shares, a sale of the issuer or of assets of the issuer, or transactions with related parties; and

''(I) such other information as the Commission may, by rule, prescribe, for the protection of investors and in the public interest;

''(2) not advertise the terms of the offering, except for notices which direct investors to the funding portal or broker;

''(3) not compensate or commit to compensate, directly or indirectly, any person to promote its offerings through communication channels provided by a broker or funding portal, without taking such steps as the Commission shall, by rule, require to ensure that such person clearly discloses the receipt, past or prospective, of such compensation, upon each instance of such promotional communication;

''(4) not less than annually, file with the Commission and provide to investors reports of the results of operations and financial statements of the issuer, as the Commission shall, by rule, determine appropriate, subject to such exceptions and termination dates as the Commission may establish, by rule; and

''(5) comply with such other requirements as the Commission may, by rule, prescribe, for the protection of investors and in the public interest.

''(c) LIABILITY FOR MATERIAL MISSTATEMENTS AND OMISSIONS.—

''(1) ACTIONS AUTHORIZED.—

''(A) IN GENERAL.—Subject to paragraph (2), a person who purchases a security in a transaction exempted by the provisions of section 4(6) may bring an action against an issuer described in paragraph (2), either at law or in equity in any court of competent jurisdiction, to recover the consideration paid for such security with interest thereon, less the amount of any income received thereon, upon the tender of such security, or for damages if such person no longer owns the security.

''(B) LIABILITY.—An action brought under this paragraph shall be subject to the provisions of section 12(b) and section 13, as if the liability were created under section 12(a)(2).

''(2) APPLICABILITY.—An issuer shall be liable in an action under paragraph (1), if the issuer—

''(A) by the use of any means or instruments of transportation or communication in interstate commerce or of the mails, by any means of any written or oral communication, in the offering or sale of a security in a transaction exempted by the provisions of section 4(6), makes an untrue statement of a material fact or omits to state a material fact required to be stated or necessary in order to make the statements, in the light of the circumstances under which they were made, not misleading, provided that the purchaser did not know of such untruth or omission; and

''(B) does not sustain the burden of proof that such issuer did not know, and in the exercise of reasonable care could not have known, of such untruth or omission.

''(3) DEFINITION.—As used in this subsection, the term 'issuer' includes any person who is a director or partner of the issuer, and the principal executive officer or officers, principal financial officer, and controller or principal accounting officer of the issuer (and any person occupying a similar status or performing a similar function) that offers or sells a security in a transaction exempted by the provisions of section 4(6), and any person who offers or sells the security in such offering.

''(d) INFORMATION AVAILABLE TO STATES.—The Commission shall make, or shall cause to be made by the relevant broker or funding portal, the information described in subsection (b) and such other information as the Commission, by rule, determines appropriate, available to the securities commission (or any agency or office performing like functions) of each State and territory of the United States and the District of Columbia.

''(e) RESTRICTIONS ON SALES.—Securities issued pursuant to a transaction described in section 4(6)—

''(1) may not be transferred by the purchaser of such securities during the 1-year period beginning on the date of purchase, unless such securities are transferred—

''(A) to the issuer of the securities;

''(B) to an accredited investor;

''(C) as part of an offering registered with the Commission; or

''(D) to a member of the family of the purchaser or the equivalent, or in connection with the death or divorce of the purchaser or other similar circumstance, in the discretion of the Commission; and

''(2) shall be subject to such other limitations as the Commission shall, by rule, establish.

''(f) APPLICABILITY.—Section 4(6) shall not apply to transactions involving the offer or sale of securities by any issuer that—

''(1) is not organized under and subject to the laws of a State or territory of the United States or the District of Columbia;

''(2) is subject to the requirement to file reports pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934;

''(3) is an investment company, as defined in section 3 of the Investment Company Act of 1940, or is excluded from the definition of investment company by section 3(b) or section 3(c) of that Act; or

''(4) the Commission, by rule or regulation, determines appropriate.

''(g) RULE OF CONSTRUCTION.—Nothing in this section or section 4(6) shall be construed as preventing an issuer from raising capital through methods not described under section 4(6).

''(h) CERTAIN CALCULATIONS.—

''(1) DOLLAR AMOUNTS.—Dollar amounts in section 4(6) and subsection (b) of this section shall be adjusted by the Commission not less frequently than once every 5 years, by notice published in the Federal Register to reflect any change in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics.

''(2) INCOME AND NET WORTH.—The income and net worth of a natural person under section 4(6)(B) shall be calculated in accordance with any rules of the Commission under this title regarding the calculation of the income and net worth, respectively, of an accredited investor.''.

(c) RULEMAKING.—Not later than 271 days after the date of enactment of this Act, the Securities and Exchange Commission (in this title referred to as the ''Commission'') shall issue such rules as the Commission determines may be necessary or appropriate for the protection of investors to carry out sections 4(6) and section 4A of the Securities Act of 1933, as added by this title. In carrying out this section, the Commission shall consult with any securities commission (or any agency or office performing like functions) of the States, any territory of the United States, and the District of Columbia, which seeks to consult with the Commission, and with any applicable national securities association.

(d) DISQUALIFICATION.—

(1) IN GENERAL.—Not later than 270 days after the date of enactment of this Act, the Commission shall, by rule, establish disqualification provisions under which—

(A) an issuer shall not be eligible to offer securities pursuant to section 4(6) of the Securities Act of 1933, as added by this title; and

(B) a broker or funding portal shall not be eligible to effect or participate in transactions pursuant to that section 4(6).

(2) INCLUSIONS.—Disqualification provisions required by this subsection shall—

(A) be substantially similar to the provisions of section 230.262 of title 17, Code of Federal Regulations (or any successor thereto); and

(B) disqualify any offering or sale of securities by a person that—

(i) is subject to a final order of a State securities commission (or an agency or officer of a State performing like functions), a State authority that supervises or examines banks, savings associations, or credit unions, a State insurance commission (or an agency or officer of a State performing like functions), an appropriate Federal banking agency, or the National Credit Union Administration, that—

(I) bars the person from—

(aa) association with an entity regulated by such commission, authority, agency, or officer;

(bb) engaging in the business of securities, insurance, or banking; or

(cc) engaging in savings association or credit union activities; or

(II) constitutes a final order based on a violation of any law or regulation that prohibits fraudulent, manipulative, or deceptive conduct within the 10-year period ending on the date of the filing of the offer or sale; or

(ii) has been convicted of any felony or misdemeanor in connection with the purchase or sale of any security or involving the making of any false filing with the Commission.

SEC. 303. EXCLUSION OF CROWDFUNDING INVESTORS FROM SHAREHOLDER CAP.

(a) EXEMPTION.—Section 12(g) of the Securities Exchange Act of 1934 (15 U.S.C. 781(g)) is amended by adding at the end the following:

''(6) EXCLUSION FOR PERSONS HOLDING CERTAIN SECURITIES.—The Commission shall, by rule, exempt, conditionally or unconditionally, securities acquired pursuant to an offering made under section 4(6) of the Securities Act of 1933 from the provisions of this subsection.''.

(b) RULEMAKING.—The Commission shall issue a rule to carry out section 12(g)(6) of the Securities Exchange Act of 1934 (15 U.S.C. 78c), as added by this section, not later than 270 days after the date of enactment of this Act.

SEC. 304. FUNDING PORTAL REGULATION.

(a) EXEMPTION.—

(1) IN GENERAL.—Section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c) is amended by adding at the end the following:

''(h) LIMITED EXEMPTION FOR FUNDING PORTALS.—

''(1) IN GENERAL.—The Commission shall, by rule, exempt, conditionally or unconditionally, a registered funding portal from the requirement to register as a broker or dealer under section 15(a)(1), provided that such funding portal—

''(A) remains subject to the examination, enforcement, and other rulemaking authority of the Commission;

''(B) is a member of a national securities association registered under section 15A; and

''(C) is subject to such other requirements under this title as the Commission determines appropriate under such rule.

''(2) NATIONAL SECURITIES ASSOCIATION MEMBERSHIP.—For purposes of sections 15(b)(8) and 15A, the term 'broker or dealer' includes a funding portal and the term 'registered broker or dealer' includes a registered funding portal, except to the extent that the Commission, by rule, determines otherwise, provided that a national securities association shall only examine for and enforce against a registered funding portal rules of such national securities association written specifically for registered funding portals.''.

(2) RULEMAKING.—The Commission shall issue a rule to carry out section 3(h) of the Securities Exchange Act of 1934 (15 U.S.C. 78c), as added by this subsection, not later than 270 days after the date of enactment of this Act.

(b) DEFINITION.—Section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)) is amended by adding at the end the following:

''(80) FUNDING PORTAL.—The term 'funding portal' means any person acting as an intermediary in a transaction involving the offer or sale of securities for the account of others, solely pursuant to section 4(6) of the Securities Act of 1933 (15 U.S.C. 77d(6)), that does not—

''(A) offer investment advice or recommendations;

''(B) solicit purchases, sales, or offers to buy the securities offered or displayed on its website or portal;

''(C) compensate employees, agents, or other persons for such solicitation or based on the sale of securities displayed or referenced on its website or portal;

''(D) hold, manage, possess, or otherwise handle investor funds or securities; or

''(E) engage in such other activities as the Commission, by rule, determines appropriate.''.

SEC. 305. RELATIONSHIP WITH STATE LAW.

(a) IN GENERAL.—Section 18(b)(4) of the Securities Act of 1933 (15 U.S.C. 77r(b)(4)) is amended—

(1) by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively; and

(2) by inserting after subparagraph (B) the following:

''(C) section 4(6);''.

(b) CLARIFICATION OF THE PRESERVATION OF STATE ENFORCEMENT AUTHORITY.—

(1) IN GENERAL.—The amendments made by subsection (a) relate solely to State registration, documentation, and offering requirements, as described under section 18(a) of Securities Act of 1933 (15 U.S.C. 77r(a)), and shall have no impact or limitation on other State authority to take enforcement action with regard to an issuer, funding portal, or any other person or entity using the exemption from registration provided by section 4(6) of that Act.

(2) CLARIFICATION OF STATE JURISDICTION OVER UNLAWFUL CONDUCT OF FUNDING PORTALS AND ISSUERS.—Section 18(c)(1) of the Securities Act of 1933 (15 U.S.C. 77r(c)(1)) is amended by striking ''with respect to fraud or deceit, or unlawful conduct by a broker or dealer, in connection with securities or securities transactions.'' and inserting the following: '', in connection with securities or securities transactions

''(A) with respect to—

''(i) fraud or deceit; or

''(ii) unlawful conduct by a broker or dealer; and

''(B) in connection to a transaction described under section 4(6), with respect to—

''(i) fraud or deceit; or

''(ii) unlawful conduct by a broker, dealer, funding portal, or issuer.''.

(c) NOTICE FILINGS PERMITTED.—Section 18(c)(2) of the Securities Act of 1933 (15 U.S.C. 77r(c)(2)) is amended by adding at the end the following:

''(F) FEES NOT PERMITTED ON CROWDFUNDED SECURITIES.—Notwithstanding subparagraphs (A), (B), and (C), no filing or fee may be required with respect to any security that is a covered security pursuant to subsection (b)(4)(B), or will be such a covered security upon completion of the transaction, except for the securities commission (or any agency or office performing like functions) of the State of the principal place of business of the issuer, or any State in which purchasers of 50 percent or greater of the aggregate amount of the issue are residents, provided that for purposes of this subparagraph, the term 'State' includes the District of Columbia and the territories of the United States.''.

(d) FUNDING PORTALS.—

(1) STATE EXEMPTIONS AND OVERSIGHT.—Section 15(i) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(i)) is amended—

(A) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(B) by inserting after paragraph (1) the following:

''(2) FUNDING PORTALS.—

''(A) LIMITATION ON STATE LAWS.—Except as provided in subparagraph (B), no State or political subdivision thereof may enforce any law, rule, regulation, or other administrative action against a registered funding portal with respect to its business as such.

''(B) EXAMINATION AND ENFORCEMENT AUTHORITY.—Subparagraph (A) does not apply with respect to the examination and enforcement of any law, rule, regulation, or administrative action of a State or political subdivision thereof in which the principal place of business of a registered funding portal is located, provided that such law, rule, regulation, or administrative action is not in addition to or different from the requirements for registered funding portals established by the Commission.

''(C) DEFINITION.—For purposes of this paragraph, the term 'State' includes the District of Columbia and the territories of the United States.''.

(2) STATE FRAUD AUTHORITY.—Section 18(c)(1) of the Securities Act of 1933 (15 U.S.C. 77r(c)(1)) is amended by striking ''or dealer'' and inserting '', dealer, or funding portal''.

SA 1927. Mr. MERKLEY submitted an amendment intended to be proposed to amendment SA 1884 submitted by Mr. MERKLEY (for himself, Mr. BENNET, and Mr. BROWN of Massachusetts) and intended to be proposed to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

On page 1, strike line 2 and all that follows through page 24, line 14 and insert the following:

SEC. 301. SHORT TITLE.

This title may be cited as the ''Capital Raising Online While Deterring Fraud and Unethical Non-Disclosure Act of 2012'' or the ''CROWDFUND Act''

SEC. 302. CROWDFUNDING EXEMPTION.

(a) SECURITIES ACT OF 1933.—Section 4 of the Securities Act of 1933 (15 U.S.C. 77d) is amended by adding at the end the following:

''(6) transactions involving the offer or sale of securities by an issuer (including all entities controlled by or under common control with the issuer), provided that—

''(A) the aggregate amount sold to all investors by the issuer, including any amount sold in reliance on the exemption provided under this paragraph during the 12-month period preceding the date of such transaction, is not more than $1,000,000;

''(B) the aggregate amount sold to any investor by an issuer, including any amount sold in reliance on the exemption provided under this paragraph during the 12-month period preceding the date of such transaction, does not exceed—

''(i) the greater of $2,000 or 5 percent of the annual income or net worth of such investor, as applicable, if either the annual income or the net worth of the investor is less than $100,000; and

''(ii) 10 percent of the annual income or net worth of such investor, as applicable, not to exceed a maximum aggregate amount sold of $100,000, if either the annual income or net worth of the investor is equal to or more than $100,000;

''(C) the transaction is conducted through a broker or funding portal that complies with the requirements of section 4A(a); and

''(D) the issuer complies with the requirements of section 4A(b).''.

(b) REQUIREMENTS TO QUALIFY FOR CROWDFUNDING EXEMPTION.—The Securities Act of 1933 (15 U.S.C. 77a et seq.) is amended by inserting after section 4 the following:

''SEC. 4A. REQUIREMENTS WITH RESPECT TO CERTAIN SMALL TRANSACTIONS.

''(a) REQUIREMENTS ON INTERMEDIARIES.—A person acting as an intermediary in a transaction involving the offer or sale of securities for the account of others pursuant to section 4(6) shall—

''(1) register with the Commission as—

''(A) a broker; or

''(B) a funding portal (as defined in section 3(a)(80) of the Securities Exchange Act of 1934);

''(2) register with any applicable self-regulatory organization (as defined in section 3(a)(26) of the Securities Exchange Act of 1934);

''(3) provide such disclosures, including disclosures related to risks and other investor education materials, as the Commission shall, by rule, determine appropriate;

''(4) ensure that each investor—

''(A) reviews investor-education information, in accordance with standards established by the Commission, by rule;

''(B) positively affirms that the investor understands that the investor is risking the loss of the entire investment, and that the investor could bear such a loss; and

''(C) answers questions demonstrating—

''(i) an understanding of the level of risk generally applicable to investments in startups, emerging businesses, and small issuers;

''(ii) an understanding of the risk of illiquidity; and

''(iii) an understanding of such other matters as the Commission determines appropriate, by rule;

''(5) take such measures to reduce the risk of fraud with respect to such transactions, as established by the Commission, by rule, including obtaining a background and securities enforcement regulatory history check on each officer, director, and person holding more than 20 percent of the outstanding equity of every issuer whose securities are offered by such person;

''(6) not later than 21 days prior to the first day on which securities are sold to any investor (or such other period as the Commission may establish), make available to the Commission and to potential investors any information provided by the issuer pursuant to subsection (b);

''(7) ensure that all offering proceeds are only provided to the issuer when the aggregate capital raised from all investors is equal to or greater than a target offering amount, and allow all investors to cancel their commitments to invest, as the Commission shall, by rule, determine appropriate;

''(8) make such efforts as the Commission determines appropriate, by rule, to ensure that no investor in a 12-month period has purchased securities offered pursuant to section 4(6) that, in the aggregate, from all issuers, exceed the investment limits set forth in section 4(6)(B);

''(9) take such steps to protect the privacy of information collected from investors as the Commission shall, by rule, determine appropriate;

''(10) not compensate promoters, finders, or lead generators for providing the broker or funding portal with the personal identifying information of any potential investor;

''(11) prohibit its directors, officers, or partners (or any person occupying a similar status or performing a similar function) from having any financial interest in an issuer using its services; and

''(12) meet such other requirements as the Commission may, by rule, prescribe, for the protection of investors and in the public interest.

''(b) REQUIREMENTS FOR ISSUERS.—For purposes of section 4(6), an issuer who offers or sells securities shall—

''(1) file with the Commission and provide to investors and the relevant broker or funding portal, and make available to potential investors—

''(A) the name, legal status, physical address, and website address of the issuer;

''(B) the names of the directors and officers (and any persons occupying a similar status or performing a similar function), and each person holding more than 20 percent of the shares of the issuer;

''(C) a description of the business of the issuer and the anticipated business plan of the issuer;

''(D) a description of the financial condition of the issuer, including, for offerings that, together with all other offerings of the issuer under section 4(6) within the preceding 12-month period, have, in the aggregate, target offering amounts of—

''(i) $100,000 or less—

''(I) the income tax returns filed by the issuer for the most recently completed year (if any); and

''(II) financial statements of the issuer, which shall be certified by the principal executive officer of the issuer to be true and complete in all material respects;

''(ii) more than $100,000, but not more than $500,000, financial statements reviewed by a public accountant who is independent of the issuer, using professional standards and procedures for such review or standards and procedures established by the Commission, by rule, for such purpose; and

''(iii) more than $500,000 (or such other amount as the Commission may establish, by rule), audited financial statements;

''(E) a description of the stated purpose and intended use of the proceeds of the offering sought by the issuer with respect to the target offering amount;

''(F) the target offering amount, the deadline to reach the target offering amount, and regular updates regarding the progress of the issuer in meeting the target offering amount;

''(G) the price to the public of the securities or the method for determining the price, provided that, prior to sale, each investor shall be provided in writing the final price and all required disclosures, with a reasonable opportunity to rescind the commitment to purchase the securities;

''(H) a description of the ownership and capital structure of the issuer, including—

''(i) terms of the securities of the issuer being offered and each other class of security of the issuer, including how such terms may be modified, and a summary of the differences between such securities, including how the rights of the securities being offered may be materially limited, diluted, or qualified by the rights of any other class of security of the issuer;

''(ii) a description of how the exercise of the rights held by the principal shareholders of the issuer could negatively impact the purchasers of the securities being offered;

''(iii) the name and ownership level of each existing shareholder who owns more than 20 percent of any class of the securities of the issuer;

''(iv) how the securities being offered are being valued, and examples of methods for how such securities may be valued by the issuer in the future, including during subsequent corporate actions; and

''(v) the risks to purchasers of the securities relating to minority ownership in the issuer, the risks associated with corporate actions, including additional issuances of shares, a sale of the issuer or of assets of the issuer, or transactions with related parties; and

''(I) such other information as the Commission may, by rule, prescribe, for the protection of investors and in the public interest;

''(2) not advertise the terms of the offering, except for notices which direct investors to the funding portal or broker;

''(3) not compensate or commit to compensate, directly or indirectly, any person to promote its offerings through communication channels provided by a broker or funding portal, without taking such steps as the Commission shall, by rule, require to ensure that such person clearly discloses the receipt, past or prospective, of such compensation, upon each instance of such promotional communication;

''(4) not less than annually, file with the Commission and provide to investors reports of the results of operations and financial statements of the issuer, as the Commission shall, by rule, determine appropriate, subject to such exceptions and termination dates as the Commission may establish, by rule; and

''(5) comply with such other requirements as the Commission may, by rule, prescribe, for the protection of investors and in the public interest.

''(c) LIABILITY FOR MATERIAL MISSTATEMENTS AND OMISSIONS.—

''(1) ACTIONS AUTHORIZED.—

''(A) IN GENERAL.—Subject to paragraph (2), a person who purchases a security in a transaction exempted by the provisions of section 4(6) may bring an action against an issuer described in paragraph (2), either at law or in equity in any court of competent jurisdiction, to recover the consideration paid for such security with interest thereon, less the amount of any income received thereon, upon the tender of such security, or for damages if such person no longer owns the security.

''(B) LIABILITY.—An action brought under this paragraph shall be subject to the provisions of section 12(b) and section 13, as if the liability were created under section 12(a)(2).

''(2) APPLICABILITY.—An issuer shall be liable in an action under paragraph (1), if the issuer—

''(A) by the use of any means or instruments of transportation or communication in interstate commerce or of the mails, by any means of any written or oral communication, in the offering or sale of a security in a transaction exempted by the provisions of section 4(6), makes an untrue statement of a material fact or omits to state a material fact required to be stated or necessary in order to make the statements, in the light of the circumstances under which they were made, not misleading, provided that the purchaser did not know of such untruth or omission; and

''(B) does not sustain the burden of proof that such issuer did not know, and in the exercise of reasonable care could not have known, of such untruth or omission.

''(3) DEFINITION.—As used in this subsection, the term 'issuer' includes any person who is a director or partner of the issuer, and the principal executive officer or officers, principal financial officer, and controller or principal accounting officer of the issuer (and any person occupying a similar status or performing a similar function) that offers or sells a security in a transaction exempted by the provisions of section 4(6), and any person who offers or sells the security in such offering.

''(d) INFORMATION AVAILABLE TO STATES.—The Commission shall make, or shall cause to be made by the relevant broker or funding portal, the information described in subsection (b) and such other information as the Commission, by rule, determines appropriate, available to the securities commission (or any agency or office performing like functions) of each State and territory of the United States and the District of Columbia.

''(e) RESTRICTIONS ON SALES.—Securities issued pursuant to a transaction described in section 4(6)—

''(1) may not be transferred by the purchaser of such securities during the 1-year period beginning on the date of purchase, unless such securities are transferred—

''(A) to the issuer of the securities;

''(B) to an accredited investor;

''(C) as part of an offering registered with the Commission; or

''(D) to a member of the family of the purchaser or the equivalent, or in connection

with the death or divorce of the purchaser or other similar circumstance, in the discretion of the Commission; and

''(2) shall be subject to such other limitations as the Commission shall, by rule, establish.

''(f) APPLICABILITY.—Section 4(6) shall not apply to transactions involving the offer or sale of securities by any issuer that—

''(1) is not organized under and subject to the laws of a State or territory of the United States or the District of Columbia;

''(2) is subject to the requirement to file reports pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934;

''(3) is an investment company, as defined in section 3 of the Investment Company Act of 1940, or is excluded from the definition of investment company by section 3(b) or section 3(c) of that Act; or

''(4) the Commission, by rule or regulation, determines appropriate.

''(g) RULE OF CONSTRUCTION.—Nothing in this section or section 4(6) shall be construed as preventing an issuer from raising capital through methods not described under section 4(6).

''(h) CERTAIN CALCULATIONS.—

''(1) DOLLAR AMOUNTS.—Dollar amounts in section 4(6) and subsection (b) of this section shall be adjusted by the Commission not less frequently than once every 5 years, by notice published in the Federal Register to reflect any change in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics.

''(2) INCOME AND NET WORTH.—The income and net worth of a natural person under section 4(6)(B) shall be calculated in accordance with any rules of the Commission under this title regarding the calculation of the income and net worth, respectively, of an accredited investor.''.

(c) RULEMAKING.—Not later than 270 days after the date of enactment of this Act, the Securities and Exchange Commission (in this title referred to as the ''Commission'') shall issue such rules as the Commission determines may be necessary or appropriate for the protection of investors to carry out sections 4(6) and section 4A of the Securities Act of 1933, as added by this title. In carrying out this section, the Commission shall consult with any securities commission (or any agency or office performing like functions) of the States, any territory of the United States, and the District of Columbia, which seeks to consult with the Commission, and with any applicable national securities association.

(d) DISQUALIFICATION.—

(1) IN GENERAL.—Not later than 271 days after the date of enactment of this Act, the Commission shall, by rule, establish disqualification provisions under which—

(A) an issuer shall not be eligible to offer securities pursuant to section 4(6) of the Securities Act of 1933, as added by this title; and

(B) a broker or funding portal shall not be eligible to effect or participate in transactions pursuant to that section 4(6).

(2) INCLUSIONS.—Disqualification provisions required by this subsection shall—

(A) be substantially similar to the provisions of section 230.262 of title 17, Code of Federal Regulations (or any successor thereto); and

(B) disqualify any offering or sale of securities by a person that—

(i) is subject to a final order of a State securities commission (or an agency or officer of a State performing like functions), a State authority that supervises or examines banks, savings associations, or credit unions, a State insurance commission (or an agency or officer of a State performing like functions), an appropriate Federal banking agency, or the National Credit Union Administration, that—

(I) bars the person from—

(aa) association with an entity regulated by such commission, authority, agency, or officer;

(bb) engaging in the business of securities, insurance, or banking; or

(cc) engaging in savings association or credit union activities; or

(II) constitutes a final order based on a violation of any law or regulation that prohibits fraudulent, manipulative, or deceptive conduct within the 10-year period ending on the date of the filing of the offer or sale; or

(ii) has been convicted of any felony or misdemeanor in connection with the purchase or sale of any security or involving the making of any false filing with the Commission.

SEC. 303. EXCLUSION OF CROWDFUNDING INVESTORS FROM SHAREHOLDER CAP.

(a) EXEMPTION.—Section 12(g) of the Securities Exchange Act of 1934 (15 U.S.C. 78l(g)) is amended by adding at the end the following:

''(6) EXCLUSION FOR PERSONS HOLDING CERTAIN SECURITIES.—The Commission shall, by rule, exempt, conditionally or unconditionally, securities acquired pursuant to an offering made under section 4(6) of the Securities Act of 1933 from the provisions of this subsection.''.

(b) RULEMAKING.—The Commission shall issue a rule to carry out section 12(g)(6) of the Securities Exchange Act of 1934 (15 U.S.C. 78c), as added by this section, not later than 270 days after the date of enactment of this Act.

SEC. 304. FUNDING PORTAL REGULATION.

(a) EXEMPTION.—

(1) IN GENERAL.—Section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c) is amended by adding at the end the following:

''(h) LIMITED EXEMPTION FOR FUNDING PORTALS.—

''(1) IN GENERAL.—The Commission shall, by rule, exempt, conditionally or unconditionally, a registered funding portal from the requirement to register as a broker or dealer under section 15(a)(1), provided that such funding portal—

''(A) remains subject to the examination, enforcement, and other rulemaking authority of the Commission;

''(B) is a member of a national securities association registered under section 15A; and

''(C) is subject to such other requirements under this title as the Commission determines appropriate under such rule.

''(2) NATIONAL SECURITIES ASSOCIATION MEMBERSHIP.—For purposes of sections 15(b)(8) and 15A, the term 'broker or dealer' includes a funding portal and the term 'registered broker or dealer' includes a registered funding portal, except to the extent that the Commission, by rule, determines otherwise, provided that a national securities association shall only examine for and enforce against a registered funding portal rules of such national securities association written specifically for registered funding portals.''.

(2) RULEMAKING.—The Commission shall issue a rule to carry out section 3(h) of the Securities Exchange Act of 1934 (15 U.S.C. 78c), as added by this subsection, not later than 270 days after the date of enactment of this Act.

(b) DEFINITION.—Section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)) is amended by adding at the end the following:

''(80) FUNDING PORTAL.—The term 'funding portal' means any person acting as an intermediary in a transaction involving the offer or sale of securities for the account of others, solely pursuant to section 4(6) of the Securities Act of 1933 (15 U.S.C. 77d(6)), that does not—

''(A) offer investment advice or recommendations;

''(B) solicit purchases, sales, or offers to buy the securities offered or displayed on its website or portal;

''(C) compensate employees, agents, or other persons for such solicitation or based on the sale of securities displayed or referenced on its website or portal;

''(D) hold, manage, possess, or otherwise handle investor funds or securities; or

''(E) engage in such other activities as the Commission, by rule, determines appropriate.''.

SEC. 305. RELATIONSHIP WITH STATE LAW.

(a) IN GENERAL.—Section 18(b)(4) of the Securities Act of 1933 (15 U.S.C. 77r(b)(4)) is amended—

(1) by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively; and

(2) by inserting after subparagraph (B) the following:

''(C) section 4(6);''.

(b) CLARIFICATION OF THE PRESERVATION OF STATE ENFORCEMENT AUTHORITY.—

(1) IN GENERAL.—The amendments made by subsection (a) relate solely to State registration, documentation, and offering requirements, as described under section 18(a) of Securities Act of 1933 (15 U.S.C. 77r(a)), and shall have no impact or limitation on other State authority to take enforcement action with regard to an issuer, funding portal, or any other person or entity using the exemption from registration provided by section 4(6) of that Act.

(2) CLARIFICATION OF STATE JURISDICTION OVER UNLAWFUL CONDUCT OF FUNDING PORTALS AND ISSUERS.—Section 18(c)(1) of the Securities Act of 1933 (15 U.S.C. 77r(c)(1)) is amended by striking ''with respect to fraud or deceit, or unlawful conduct by a broker or dealer, in connection with securities or securities transactions.'' and inserting the following: '', in connection with securities or securities transactions

''(A) with respect to—

''(i) fraud or deceit; or

''(ii) unlawful conduct by a broker or dealer; and

''(B) in connection to a transaction described under section 4(6), with respect to—

''(i) fraud or deceit; or

''(ii) unlawful conduct by a broker, dealer, funding portal, or issuer.''.

(c) NOTICE FILINGS PERMITTED.—Section 18(c)(2) of the Securities Act of 1933 (15 U.S.C. 77r(c)(2)) is amended by adding at the end the following:

''(F) FEES NOT PERMITTED ON CROWDFUNDED SECURITIES.—Notwithstanding subparagraphs (A), (B), and (C), no filing or fee may be required with respect to any security that is a covered security pursuant to subsection (b)(4)(B), or will be such a covered security upon completion of the transaction, except for the securities commission (or any agency or office performing like functions) of the State of the principal place of business of the issuer, or any State in which purchasers of 50 percent or greater of the aggregate amount of the issue are residents, provided that for purposes of this subparagraph, the term 'State' includes the District of Columbia and the territories of the United States.''.

(d) FUNDING PORTALS.—

(1) STATE EXEMPTIONS AND OVERSIGHT.—Section 15(i) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(i)) is amended—

(A) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(B) by inserting after paragraph (1) the following:

''(2) FUNDING PORTALS.—

''(A) LIMITATION ON STATE LAWS.—Except as provided in subparagraph (B), no State or political subdivision thereof may enforce any

law, rule, regulation, or other administrative action against a registered funding portal with respect to its business as such.

''(B) EXAMINATION AND ENFORCEMENT AUTHORITY.—Subparagraph (A) does not apply with respect to the examination and enforcement of any law, rule, regulation, or administrative action of a State or political subdivision thereof in which the principal place of business of a registered funding portal is located, provided that such law, rule, regulation, or administrative action is not in addition to or different from the requirements for registered funding portals established by the Commission.

''(C) DEFINITION.—For purposes of this paragraph, the term 'State' includes the District of Columbia and the territories of the United States.''.

(2) STATE FRAUD AUTHORITY.—Section 18(c)(1) of the Securities Act of 1933 (15 U.S.C. 77r(c)(1)) is amended by striking ''or dealer'' and inserting '', dealer, or funding portal''.

SA 1928. Mr. MERKLEY submitted an amendment intended to be proposed to amendment SA 1884 submitted by Mr. MERKLEY (for himself, Mr. BENNET, and Mr. BROWN of Massachusetts) and intended to be proposed to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

On page 1, strike line 6 and all that follows through page 24, line 14 and insert the following: ''of 212' or the 'CROWDFUND Act of 2012'.

SEC. 302. CROWDFUNDING EXEMPTION.

(a) SECURITIES ACT OF 1933.—Section 4 of the Securities Act of 1933 (15 U.S.C. 77d) is amended by adding at the end the following:

''(6) transactions involving the offer or sale of securities by an issuer (including all entities controlled by or under common control with the issuer), provided that—

''(A) the aggregate amount sold to all investors by the issuer, including any amount sold in reliance on the exemption provided under this paragraph during the 12-month period preceding the date of such transaction, is not more than $1,000,000;

''(B) the aggregate amount sold to any investor by an issuer, including any amount sold in reliance on the exemption provided under this paragraph during the 12-month period preceding the date of such transaction, does not exceed—

''(i) the greater of $2,000 or 5 percent of the annual income or net worth of such investor, as applicable, if either the annual income or the net worth of the investor is less than $100,000; and

''(ii) 10 percent of the annual income or net worth of such investor, as applicable, not to exceed a maximum aggregate amount sold of $100,000, if either the annual income or net worth of the investor is equal to or more than $100,000;

''(C) the transaction is conducted through a broker or funding portal that complies with the requirements of section 4A(a); and

''(D) the issuer complies with the requirements of section 4A(b).''.

(b) REQUIREMENTS TO QUALIFY FOR CROWDFUNDING EXEMPTION.—The Securities Act of 1933 (15 U.S.C. 77a et seq.) is amended by inserting after section 4 the following:

''SEC. 4A. REQUIREMENTS WITH RESPECT TO CERTAIN SMALL TRANSACTIONS.

''(a) REQUIREMENTS ON INTERMEDIARIES.—A person acting as an intermediary in a transaction involving the offer or sale of securities for the account of others pursuant to section 4(6) shall—

''(1) register with the Commission as—

''(A) a broker; or

''(B) a funding portal (as defined in section 3(a)(80) of the Securities Exchange Act of 1934);

''(2) register with any applicable self-regulatory organization (as defined in section 3(a)(26) of the Securities Exchange Act of 1934);

''(3) provide such disclosures, including disclosures related to risks and other investor education materials, as the Commission shall, by rule, determine appropriate;

''(4) ensure that each investor—

''(A) reviews investor-education information, in accordance with standards established by the Commission, by rule;

''(B) positively affirms that the investor understands that the investor is risking the loss of the entire investment, and that the investor could bear such a loss; and

''(C) answers questions demonstrating—

''(i) an understanding of the level of risk generally applicable to investments in startups, emerging businesses, and small issuers;

''(ii) an understanding of the risk of illiquidity; and

''(iii) an understanding of such other matters as the Commission determines appropriate, by rule;

''(5) take such measures to reduce the risk of fraud with respect to such transactions, as established by the Commission, by rule, including obtaining a background and securities enforcement regulatory history check on each officer, director, and person holding more than 20 percent of the outstanding equity of every issuer whose securities are offered by such person;

''(6) not later than 21 days prior to the first day on which securities are sold to any investor (or such other period as the Commission may establish), make available to the Commission and to potential investors any information provided by the issuer pursuant to subsection (b);

''(7) ensure that all offering proceeds are only provided to the issuer when the aggregate capital raised from all investors is equal to or greater than a target offering amount, and allow all investors to cancel their commitments to invest, as the Commission shall, by rule, determine appropriate;

''(8) make such efforts as the Commission determines appropriate, by rule, to ensure that no investor in a 12-month period has purchased securities offered pursuant to section 4(6) that, in the aggregate, from all issuers, exceed the investment limits set forth in section 4(6)(B);

''(9) take such steps to protect the privacy of information collected from investors as the Commission shall, by rule, determine appropriate;

''(10) not compensate promoters, finders, or lead generators for providing the broker or funding portal with the personal identifying information of any potential investor;

''(11) prohibit its directors, officers, or partners (or any person occupying a similar status or performing a similar function) from having any financial interest in an issuer using its services; and

''(12) meet such other requirements as the Commission may, by rule, prescribe, for the protection of investors and in the public interest.

''(b) REQUIREMENTS FOR ISSUERS.—For purposes of section 4(6), an issuer who offers or sells securities shall—

''(1) file with the Commission and provide to investors and the relevant broker or funding portal, and make available to potential investors—

''(A) the name, legal status, physical address, and website address of the issuer;

''(B) the names of the directors and officers (and any persons occupying a similar status or performing a similar function), and each person holding more than 20 percent of the shares of the issuer;

''(C) a description of the business of the issuer and the anticipated business plan of the issuer;

''(D) a description of the financial condition of the issuer, including, for offerings that, together with all other offerings of the issuer under section 4(6) within the preceding 12-month period, have, in the aggregate, target offering amounts of—

''(i) $100,000 or less—

''(I) the income tax returns filed by the issuer for the most recently completed year (if any); and

''(II) financial statements of the issuer, which shall be certified by the principal executive officer of the issuer to be true and complete in all material respects;

''(ii) more than $100,000, but not more than $500,000, financial statements reviewed by a public accountant who is independent of the issuer, using professional standards and procedures for such review or standards and procedures established by the Commission, by rule, for such purpose; and

''(iii) more than $500,000 (or such other amount as the Commission may establish, by rule), audited financial statements;

''(E) a description of the stated purpose and intended use of the proceeds of the offering sought by the issuer with respect to the target offering amount;

''(F) the target offering amount, the deadline to reach the target offering amount, and regular updates regarding the progress of the issuer in meeting the target offering amount;

''(G) the price to the public of the securities or the method for determining the price, provided that, prior to sale, each investor shall be provided in writing the final price and all required disclosures, with a reasonable opportunity to rescind the commitment to purchase the securities;

''(H) a description of the ownership and capital structure of the issuer, including—

''(i) terms of the securities of the issuer being offered and each other class of security of the issuer, including how such terms may be modified, and a summary of the differences between such securities, including how the rights of the securities being offered may be materially limited, diluted, or qualified by the rights of any other class of security of the issuer;

''(ii) a description of how the exercise of the rights held by the principal shareholders of the issuer could negatively impact the purchasers of the securities being offered;

''(iii) the name and ownership level of each existing shareholder who owns more than 20 percent of any class of the securities of the issuer;

''(iv) how the securities being offered are being valued, and examples of methods for how such securities may be valued by the issuer in the future, including during subsequent corporate actions; and

''(v) the risks to purchasers of the securities relating to minority ownership in the issuer, the risks associated with corporate actions, including additional issuances of shares, a sale of the issuer or of assets of the issuer, or transactions with related parties; and

''(I) such other information as the Commission may, by rule, prescribe, for the protection of investors and in the public interest;

''(2) not advertise the terms of the offering, except for notices which direct investors to the funding portal or broker;

''(3) not compensate or commit to compensate, directly or indirectly, any person to

promote its offerings through communication channels provided by a broker or funding portal, without taking such steps as the Commission shall, by rule, require to ensure that such person clearly discloses the receipt, past or prospective, of such compensation, upon each instance of such promotional communication;

''(4) not less than annually, file with the Commission and provide to investors reports of the results of operations and financial statements of the issuer, as the Commission shall, by rule, determine appropriate, subject to such exceptions and termination dates as the Commission may establish, by rule; and

''(5) comply with such other requirements as the Commission may, by rule, prescribe, for the protection of investors and in the public interest.

''(c) LIABILITY FOR MATERIAL MISSTATEMENTS AND OMISSIONS.—

''(1) ACTIONS AUTHORIZED.—

''(A) IN GENERAL.—Subject to paragraph (2), a person who purchases a security in a transaction exempted by the provisions of section 4(6) may bring an action against an issuer described in paragraph (2), either at law or in equity in any court of competent jurisdiction, to recover the consideration paid for such security with interest thereon, less the amount of any income received thereon, upon the tender of such security, or for damages if such person no longer owns the security.

''(B) LIABILITY.—An action brought under this paragraph shall be subject to the provisions of section 12(b) and section 13, as if the liability were created under section 12(a)(2).

''(2) APPLICABILITY.—An issuer shall be liable in an action under paragraph (1), if the issuer—

''(A) by the use of any means or instruments of transportation or communication in interstate commerce or of the mails, by any means of any written or oral communication, in the offering or sale of a security in a transaction exempted by the provisions of section 4(6), makes an untrue statement of a material fact or omits to state a material fact required to be stated or necessary in order to make the statements, in the light of the circumstances under which they were made, not misleading, provided that the purchaser did not know of such untruth or omission; and

''(B) does not sustain the burden of proof that such issuer did not know, and in the exercise of reasonable care could not have known, of such untruth or omission.

''(3) DEFINITION.—As used in this subsection, the term 'issuer' includes any person who is a director or partner of the issuer, and the principal executive officer or officers, principal financial officer, and controller or principal accounting officer of the issuer (and any person occupying a similar status or performing a similar function) that offers or sells a security in a transaction exempted by the provisions of section 4(6), and any person who offers or sells the security in such offering.

''(d) INFORMATION AVAILABLE TO STATES.—The Commission shall make, or shall cause to be made by the relevant broker or funding portal, the information described in subsection (b) and such other information as the Commission, by rule, determines appropriate, available to the securities commission (or any agency or office performing like functions) of each State and territory of the United States and the District of Columbia.

''(e) RESTRICTIONS ON SALES.—Securities issued pursuant to a transaction described in section 4(6)—

''(1) may not be transferred by the purchaser of such securities during the 1-year period beginning on the date of purchase, unless such securities are transferred—

''(A) to the issuer of the securities;

''(B) to an accredited investor;

''(C) as part of an offering registered with the Commission; or

''(D) to a member of the family of the purchaser or the equivalent, or in connection with the death or divorce of the purchaser or other similar circumstance, in the discretion of the Commission; and

''(2) shall be subject to such other limitations as the Commission shall, by rule, establish.

''(f) APPLICABILITY.—Section 4(6) shall not apply to transactions involving the offer or sale of securities by any issuer that—

''(1) is not organized under and subject to the laws of a State or territory of the United States or the District of Columbia;

''(2) is subject to the requirement to file reports pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934;

''(3) is an investment company, as defined in section 3 of the Investment Company Act of 1940, or is excluded from the definition of investment company by section 3(b) or section 3(c) of that Act; or

''(4) the Commission, by rule or regulation, determines appropriate.

''(g) RULE OF CONSTRUCTION.—Nothing in this section or section 4(6) shall be construed as preventing an issuer from raising capital through methods not described under section 4(6).

''(h) CERTAIN CALCULATIONS.—

''(1) DOLLAR AMOUNTS.—Dollar amounts in section 4(6) and subsection (b) of this section shall be adjusted by the Commission not less frequently than once every 5 years, by notice published in the Federal Register to reflect any change in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics.

''(2) INCOME AND NET WORTH.—The income and net worth of a natural person under section 4(6)(B) shall be calculated in accordance with any rules of the Commission under this title regarding the calculation of the income and net worth, respectively, of an accredited investor.''.

(c) RULEMAKING.—Not later than 271 days after the date of enactment of this Act, the Securities and Exchange Commission (in this title referred to as the ''Commission'') shall issue such rules as the Commission determines may be necessary or appropriate for the protection of investors to carry out sections 4(6) and section 4A of the Securities Act of 1933, as added by this title. In carrying out this section, the Commission shall consult with any securities commission (or any agency or office performing like functions) of the States, any territory of the United States, and the District of Columbia, which seeks to consult with the Commission, and with any applicable national securities association.

(d) DISQUALIFICATION.—

(1) IN GENERAL.—Not later than 270 days after the date of enactment of this Act, the Commission shall, by rule, establish disqualification provisions under which—

(A) an issuer shall not be eligible to offer securities pursuant to section 4(6) of the Securities Act of 1933, as added by this title; and

(B) a broker or funding portal shall not be eligible to effect or participate in transactions pursuant to that section 4(6).

(2) INCLUSIONS.—Disqualification provisions required by this subsection shall—

(A) be substantially similar to the provisions of section 230.262 of title 17, Code of Federal Regulations (or any successor thereto); and

(B) disqualify any offering or sale of securities by a person that—

(i) is subject to a final order of a State securities commission (or an agency or officer of a State performing like functions), a State authority that supervises or examines banks, savings associations, or credit unions, a State insurance commission (or an agency or officer of a State performing like functions), an appropriate Federal banking agency, or the National Credit Union Administration, that—

(I) bars the person from—

(aa) association with an entity regulated by such commission, authority, agency, or officer;

(bb) engaging in the business of securities, insurance, or banking; or

(cc) engaging in savings association or credit union activities; or

(II) constitutes a final order based on a violation of any law or regulation that prohibits fraudulent, manipulative, or deceptive conduct within the 10-year period ending on the date of the filing of the offer or sale; or

(ii) has been convicted of any felony or misdemeanor in connection with the purchase or sale of any security or involving the making of any false filing with the Commission.

SEC. 303. EXCLUSION OF CROWDFUNDING INVESTORS FROM SHAREHOLDER CAP.

(a) EXEMPTION.—Section 12(g) of the Securities Exchange Act of 1934 (15 U.S.C. 78l(g)) is amended by adding at the end the following:

''(6) EXCLUSION FOR PERSONS HOLDING CERTAIN SECURITIES.—The Commission shall, by rule, exempt, conditionally or unconditionally, securities acquired pursuant to an offering made under section 4(6) of the Securities Act of 1933 from the provisions of this subsection.''.

(b) RULEMAKING.—The Commission shall issue a rule to carry out section 12(g)(6) of the Securities Exchange Act of 1934 (15 U.S.C. 78c), as added by this section, not later than 270 days after the date of enactment of this Act.

SEC. 304. FUNDING PORTAL REGULATION.

(a) EXEMPTION.—

(1) IN GENERAL.—Section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c) is amended by adding at the end the following:

''(h) LIMITED EXEMPTION FOR FUNDING PORTALS.—

''(1) IN GENERAL.—The Commission shall, by rule, exempt, conditionally or unconditionally, a registered funding portal from the requirement to register as a broker or dealer under section 15(a)(1), provided that such funding portal—

''(A) remains subject to the examination, enforcement, and other rulemaking authority of the Commission;

''(B) is a member of a national securities association registered under section 15A; and

''(C) is subject to such other requirements under this title as the Commission determines appropriate under such rule.

''(2) NATIONAL SECURITIES ASSOCIATION MEMBERSHIP.—For purposes of sections 15(b)(8) and 15A, the term 'broker or dealer' includes a funding portal and the term 'registered broker or dealer' includes a registered funding portal, except to the extent that the Commission, by rule, determines otherwise, provided that a national securities association shall only examine for and enforce against a registered funding portal rules of such national securities association written specifically for registered funding portals.''.

(2) RULEMAKING.—The Commission shall issue a rule to carry out section 3(h) of the Securities Exchange Act of 1934 (15 U.S.C. 78c), as added by this subsection, not later than 270 days after the date of enactment of this Act.

(b) DEFINITION.—Section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)) is amended by adding at the end the following:

''(80) FUNDING PORTAL.—The term 'funding portal' means any person acting as an intermediary in a transaction involving the offer or sale of securities for the account of others, solely pursuant to section 4(6) of the Securities Act of 1933 (15 U.S.C. 77d(6)), that does not—

''(A) offer investment advice or recommendations;

''(B) solicit purchases, sales, or offers to buy the securities offered or displayed on its website or portal;

''(C) compensate employees, agents, or other persons for such solicitation or based on the sale of securities displayed or referenced on its website or portal;

''(D) hold, manage, possess, or otherwise handle investor funds or securities; or

''(E) engage in such other activities as the Commission, by rule, determines appropriate.''.

SEC. 305. RELATIONSHIP WITH STATE LAW.

(a) IN GENERAL.—Section 18(b)(4) of the Securities Act of 1933 (15 U.S.C. 77r(b)(4)) is amended—

(1) by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively; and

(2) by inserting after subparagraph (B) the following:

''(C) section 4(6);''.

(b) CLARIFICATION OF THE PRESERVATION OF STATE ENFORCEMENT AUTHORITY.—

(1) IN GENERAL.—The amendments made by subsection (a) relate solely to State registration, documentation, and offering requirements, as described under section 18(a) of Securities Act of 1933 (15 U.S.C. 77r(a)), and shall have no impact or limitation on other State authority to take enforcement action with regard to an issuer, funding portal, or any other person or entity using the exemption from registration provided by section 4(6) of that Act.

(2) CLARIFICATION OF STATE JURISDICTION OVER UNLAWFUL CONDUCT OF FUNDING PORTALS AND ISSUERS.—Section 18(c)(1) of the Securities Act of 1933 (15 U.S.C. 77r(c)(1)) is amended by striking ''with respect to fraud or deceit, or unlawful conduct by a broker or dealer, in connection with securities or securities transactions.'' and inserting the following: '', in connection with securities or securities transactions

''(A) with respect to—

''(i) fraud or deceit; or

''(ii) unlawful conduct by a broker or dealer; and

''(B) in connection to a transaction described under section 4(6), with respect to—

''(i) fraud or deceit; or

''(ii) unlawful conduct by a broker, dealer, funding portal, or issuer.''.

(c) NOTICE FILINGS PERMITTED.—Section 18(c)(2) of the Securities Act of 1933 (15 U.S.C. 77r(c)(2)) is amended by adding at the end the following:

''(F) FEES NOT PERMITTED ON CROWDFUNDED SECURITIES.—Notwithstanding subparagraphs (A), (B), and (C), no filing or fee may be required with respect to any security that is a covered security pursuant to subsection (b)(4)(B), or will be such a covered security upon completion of the transaction, except for the securities commission (or any agency or office performing like functions) of the State of the principal place of business of the issuer, or any State in which purchasers of 50 percent or greater of the aggregate amount of the issue are residents, provided that for purposes of this subparagraph, the term 'State' includes the District of Columbia and the territories of the United States.''.

(d) FUNDING PORTALS.—

(1) STATE EXEMPTIONS AND OVERSIGHT.—Section 15(i) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(i)) is amended—

(A) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(B) by inserting after paragraph (1) the following:

''(2) FUNDING PORTALS.—

''(A) LIMITATION ON STATE LAWS.—Except as provided in subparagraph (B), no State or political subdivision thereof may enforce any law, rule, regulation, or other administrative action against a registered funding portal with respect to its business as such.

''(B) EXAMINATION AND ENFORCEMENT AUTHORITY.—Subparagraph (A) does not apply with respect to the examination and enforcement of any law, rule, regulation, or administrative action of a State or political subdivision thereof in which the principal place of business of a registered funding portal is located, provided that such law, rule, regulation, or administrative action is not in addition to or different from the requirements for registered funding portals established by the Commission.

''(C) DEFINITION.—For purposes of this paragraph, the term 'State' includes the District of Columbia and the territories of the United States.''.

(2) STATE FRAUD AUTHORITY.—Section 18(c)(1) of the Securities Act of 1933 (15 U.S.C. 77r(c)(1)) is amended by striking ''or dealer'' and inserting '', dealer, or funding portal''.

SA 1929. Mr. MERKLEY submitted an amendment intended to be proposed to amendment SA 1848 submitted by Mr. LAUTENBERG and intended to be proposed to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

On page strike line 3 and all that follows through page 3, line 2 and insert the following:

SEC. 304. OCCURRENCE OF FRAUD.

(a) REPORT ON OCCURRENCE OF FRAUD.—

(1) IN GENERAL.—The Commission shall, once every 2 years, beginning on the date of enactment of this Act, submit a report to Congress which includes an affirmative finding that the amount of fraud related to issuances made pursuant to section 4(6) of the Securities Act of 1933, as amended by this title, was not excessive during the reporting period.

(2) FINDING OF EXCESSIVE FRAUD.—If the Commission finds that the amount of fraud related to issuances made pursuant to section 4(6) of the Securities Act of 1933, as amended by this title, was excessive during the reporting period, the Commission shall—

(A) report such finding to the Congress, together with the reports required by this section; and

(B) initiate a rulemaking pursuant to subsection (b).

(b) RULEMAKING.—

(1) IN GENERAL.—If the Commission makes a finding of excessive fraud, as described in subsection (a)(2), the Commission shall amend its rules issued, amended, or enforced under this title, as necessary to reduce the incidence of fraud related to crowdfunding exemptions provided under this title.

(2) TIMING.—Amended rules shall be issued under paragraph (1) as interim final rules not later than 30 days after a finding by the Commission of excessive fraud, with public comments accepted for 31 days after the date of publication of the interim final rules.

SA 1930. Mr. MERKLEY submitted an amendment intended to be proposed to amendment SA 1884 submitted by Mr. MERKLEY (for himself, Mr. BENNET, and Mr. BROWN of Massachusetts) and intended to be proposed to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

On page 20, line 1, strike ''270'' and insert ''271''.

SA 1931. Mr. REED submitted an amendment intended to be proposed by him to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

At the end, add the following: ''The Commission shall revise the definition of the term 'held of record' pursuant to section 12(g)(5) of the Securities Exchange Act of 1934 (15. U.S.C. 781(g)(5)) to include beneficial owners of such class of securities.''.

SA 1932. Mr. REED submitted an amendment intended to be proposed by him to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

On page 37, line 21, strike ''may'' and insert ''shall''.

SA 1933. Mr. REED submitted an amendment intended to be proposed by him to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

On page 39, line 5, strike ''may'' and insert ''shall''.

SA 1934. Mr. PAUL submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. PROHIBITION ON FINANCING BY THE EXPORT-IMPORT BANK OF THE UNITED STATES FOR ENTITIES THAT ARE CONTROLLED BY FOREIGN GOVERNMENTS.

Notwithstanding any provision of the Export-Import Bank Act of 1945 (12 U.S.C. 635 et seq.), the Export-Import Bank of the United States may not provide any financing (including any guarantee, insurance, extension of credit, or participation in the extension of credit) to an entity—

(1) in which a foreign government holds interests representing at least 50 percent of the capital structure of the entity or otherwise holds a controlling interest in the capital structure of the entity; or

(2) that is otherwise controlled in effect by a foreign government.

SA 1935. Mr. CHAMBLISS submitted an amendment intended to be proposed to amendment SA 1836 proposed by Mr. REID (for Ms. CANTWELL (for herself, Mr. JOHNSON of South Dakota, Mr. GRAHAM, Mr. SHELBY, Mr. WARNER, Mr. SCHUMER, Mr. BROWN of Ohio, Mrs. HAGAN, Mr. COONS, Mr. AKAKA, Mrs. MURRAY, Ms. LANDRIEU, Mr. KERRY, and Mr. KIRK)) to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

At the end of the amendment, add the following:

SEC. 817. NEGOTIATIONS TO SUBSTANTIALLY REDUCE SUBSIDIES FOR AIRCRAFT FINANCING.

(a) IN GENERAL.—The President shall initiate and pursue negotiations with all countries that finance large air carrier aircraft with funds from a state-sponsored entity, to substantially reduce export credit financing for the aircraft, with the ultimate goal of eliminating financing for the aircraft by state-sponsored entities. Not later than 180 days after the date of the enactment of this Act, and annually thereafter, the President shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report on the progress of the negotiations until the President certifies in writing to the committees that all countries that finance large air carrier aircraft with funds from a state-sponsored entity have agreed to end the financing with funds from such an entity.

(b) LARGE AIR CARRIER AIRCRAFT DEFINED.—In subsection (a), the term ''large air carrier aircraft'', means an aircraft designed to hold seats for at least 31 passengers.

SA 1936. Mr. REED submitted an amendment intended to be proposed by him to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

At the end, add the following: ''The rules shall include the terms and conditions relating to the forms of permissible solicitation and advertising.''.

SA 1937. Ms. LANDRIEU submitted an amendment intended to be proposed to amendment SA 1833 proposed by Mr. REID (for Mr. REED (for himself, Ms. LANDRIEU, Mr. LEVIN, Mr. BROWN of Ohio, Mr. MERKLEY, Mr. AKAKA, Mr. WHITEHOUSE, Mr. FRANKEN, Mr. HARKIN, Mr. DURBIN, and Mrs. SHAHEEN)) to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

Strike section 602 and insert the following:

SEC. 602. THRESHOLD FOR REGISTRATION.

Section 12(g)(1) of the Securities Exchange Act of 1934 (15 U.S.C. 78l(g)(1)) is amended by striking ''shall—'' and all that follows through ''register such'' and inserting ''shall, not later than 120 days after the last day of any fiscal year of the issuer on which the issuer has total assets exceeding $10,000,000 and a class of equity securities (other than an exempted security) held of record by 750 or more persons (or, in the case of an issuer that is a bank or a bank holding company, as such term is defined in section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841), by 2,000 or more persons), register such''.

SA 1938. Ms. AYOTTE submitted an amendment intended to be proposed by him to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. FIDUCIARY EXCLUSION.

Section 3(21)(A) of the Employee Retirement Income and Security Act of 1974 (29 U.S.C. 1002(21)(A)) is amended by inserting ''and except to the extent a person is providing an appraisal or fairness opinion with respect to qualifying employer securities (as defined in section 407(d)(5)) included in an employee stock ownership plan (as defined in section 407(d)(6)),'' after ''subparagraph (B),''.

SA 1939. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 3606, to increase American job creation and economic growth by improving access to the public capital markets for emerging growth companies; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SECTION ___. NATIONAL RIGHT TO WORK.

(a) AMENDMENTS TO THE NATIONAL LABOR RELATIONS ACT.—

(1) RIGHTS OF EMPLOYEES.—Section 7 of the National Labor Relations Act (29 U.S.C. 157) is amended by striking ''except to'' and all that follows through ''authorized in section 8(a)(3)''.

(2) UNFAIR LABOR PRACTICES.—Section 8 of the National Labor Relations Act (29 U.S.C. 158) is amended—

(A) in subsection (a)(3), by striking '': *Provided*, That'' and all that follows through ''retaining membership'';

(B) in subsection (b)—

(i) in paragraph (2), by striking ''or to discriminate'' and all that follows through ''retaining membership''; and

(ii) in paragraph (5), by striking ''covered by an agreement authorized under subsection (a)(3)''; and

(C) in subsection (f), by striking clause (2) and redesignating clauses (3) and (4) as clauses (2) and (3), respectively.

(b) AMENDMENT TO THE RAILWAY LABOR ACT.—Section 2 of the Railway Labor Act (45 U.S.C. 152) is amended by striking paragraph Eleven.

SA 1940. Mr. REID proposed an amendment to the bill S. 2038, to prohibit Members of Congress and employees of Congress from using nonpublic information derived from their official positions for personal benefit, and for other purposes; as follows:

At the end, add the following new section:

SEC. ___.

This Act shall become effective 5 days after enactment.

SA 1941. Mr. REID proposed an amendment to amendment SA 1940 proposed by Mr. REID to the bill S. 2038, to prohibit Members of Congress and employees of Congress from using nonpublic information derived from their official positions for personal benefit, and for other purposes; as follows:

In the amendment, strike ''5 days'' and insert ''4 days''.

SA 1942. Mr. REID proposed an amendment to the bill S. 2038, to prohibit Members of Congress and employees of Congress from using nonpublic information derived from their official positions for personal benefit, and for other purposes; as follows:

At the end, add the following new section:

SEC. ___.

This Act shall become effective 3 days after enactment.

SA 1943. Mr. REID proposed an amendment to amendment SA 1942 proposed by Mr. REID to the bill S. 2038, to prohibit Members of Congress and employees of Congress from using nonpublic information derived from their official positions for personal benefit, and for other purposes; as follows:

In the amendment, strike ''3 days'' and insert ''2 days''.

SA 1944. Mr. REID proposed an amendment to amendment SA 1943 proposed by Mr. REID to the amendment SA 1942 proposed by Mr. REID to the bill S. 2038, to prohibit Members of Congress and employees of Congress from using nonpublic information derived from their official positions for personal benefit, and for other purposes; as follows:

In the amendment, strike ''2 days'' and insert ''1 day''.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. MERKLEY. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on March 20, 2012, at 9:30 a.m.

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

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. MERKLEY. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on March 20, 2012, at 10 a.m.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MERKLEY. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on March 20, 2012, at 10 a.m., in room 366 of the Dirksen Senate Office Building.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. MERKLEY. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on March 20, 2012, at 2:45 p.m.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. MERKLEY. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on March 20, 2012, at 2:30 p.m.

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

SUBCOMMITTEE ON ADMINISTRATIVE OVERSIGHT AND THE COURTS

Mr. MERKLEY. Mr. President, I ask unanimous consent that the Committee on the Judiciary, Subcommittee on Administrative Oversight and the Courts, be authorized to meet during the session of the Senate, on March 20, 2012, at 10 a.m., in room SD–226 of the Dirksen Senate Office Building, to conduct a hearing entitled ''The Looming Student Debt Crisis: Providing Fairness for Struggling Students.''

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

SUBCOMMITTEE ON AVIATION OPERATIONS, SAFETY, AND SECURITY

Mr. MERKLEY. Mr. President, I ask unanimous consent that the Subcommittee on Aviation Operations, Safety, and Security of the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on March 20, 2012, at 2:45 p.m. in room 253 of the Russell Senate Office Building.

The Committee will hold a hearing entitled, ''Commercial Airline Safety Oversight.''

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

SUBCOMMITTEE ON CLEAN AIR AND NUCLEAR SAFETY

Mr. MERKLEY. Mr. President, I ask unanimous consent that the Subcommittee on Clean Air and Nuclear Safety of the Committee on Environment and Public Works be authorized to meet during the session of the Senate on March 20, 2012, at 10 a.m. in Dirksen 406 to conduct a hearing entitled, ''Oversight, Review of the Environmental Protection Agency's Mercury and Air Toxics Standards (MATS) for Power Plants.''

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

SUBCOMMITTEE ON EMERGING THREATS AND CAPABILITIES

Mr. MERKLEY. Mr. President, I ask unanimous consent that the Subcommittee on Emerging Threats and Capabilities of the Committee on Armed Services be authorized to meet during the session of the Senate on March 20, 2012, at 3 p.m.

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

SUBCOMMITTEE ON FISCAL RESPONSIBILITY AND ECONOMIC GROWTH

Mr. MERKLEY. Mr. President, I ask unanimous consent that the Subcommittee on Fiscal Responsibility and Economic Growth of the Committee on Finance be authorized to meet during the session of the Senate on March 20, 2012, at 10 a.m., in room 215 of the Dirksen Senate Office Building, to conduct a hearing entitled ''Tax Fraud by Identity Theft, Part 2: Status, Progress, and Potential Solutions.''

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

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT, THE FEDERAL WORKFORCE, AND THE DISTRICT OF COLUMBIA

Mr. MERKLEY. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs' Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia be authorized to meet during the session of the Senate on March 20, 2012, at 2:30 p.m. to conduct a hearing entitled, ''A Review of the Office of Special Counsel and the Merit Systems Protection Board.''

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

PRIVILEGES OF THE FLOOR

Mr. HARKIN. Mr. President, I ask unanimous consent that Jenna Nizamoff and Madeline Shepherd be granted the privilege of the floor during the duration of today's session.

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

ORDERS FOR WEDNESDAY, MARCH 21, 2012

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until tomorrow, March 21 at 9:30 a.m.; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, and the time for the two leaders be reserved for their use later in the day; that following any leader remarks, the Senate be in a period of morning business for an hour; that during that period of time, Senators be allowed to speak for up to 10 minutes each, with the time equally divided and controlled between the two leaders or their designees, with the Republicans controlling the final half, the majority the first half; that following morning business, the Senate resume consideration of H.R. 3606; finally, that the time from 2:30 p.m. until 3 p.m. be as in morning business to acknowledge the milestone reached by Senator BARBARA MIKULSKI of Maryland as the longest serving woman in Congress in the history of our country.

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

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. REID. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that it adjourn under the previous order.

There being no objection, the Senate, at 5:21 p.m., adjourned until Wednesday, March 21, 2012, at 9:30 a.m.