

# POLITICO

## Reid rolls dice on Wall St. bill

By: [Carrie Budoff Brown](#) and [Meredith Shiner](#)

April 22, 2010 01:23 PM EDT

Senate Majority Leader [Harry Reid](#) (D-Nev.) placed a bet Thursday: Call the roll on a [Wall Street](#) reform bill and at least one Republican will say “aye.”

Emboldened by public anger at Wall Street, Democrats set the first key vote for Monday on a bill to [rein in the financial industry](#) — even though Reid lacks a bipartisan deal or any guarantee that he'll get the crucial 60th vote needed to break a filibuster.

And if no Republican cracks, and the bill goes down, Reid is calculating that would be politically devastating for the GOP, because the party would appear to be standing shoulder to shoulder with the Wall Street bankers many Americans blame for the recession.

“We have the upper hand,” said New York Sen. [Chuck Schumer](#), a member of the Senate Democratic leadership.

It's also a tactic to put pressure on the bipartisan negotiations now going on — and there were signs Thursday the ploy might be working. Senate Banking Committee Chairman [Chris Dodd](#) (D-Conn.) came out of a meeting Thursday afternoon with the panel's senior Republican, Sen. Richard Shelby of Alabama, sounding hopeful.

“We're narrowing and narrowing and narrowing,” Dodd said. “We're getting there. I feel pretty good with where things are moving.”

Asked whether they could reach a deal in time for Monday's vote, Shelby said, “Today's Thursday, so it would be hard. It's not impossible, probably not probable, but ... we'll continue to work.”

The two will talk again Friday.

Reid's plan to bring the vote to the floor Monday involves some risk for the majority leader as well. He is locked in a difficult reelection battle at home, and losing the test vote could seem embarrassing, especially if Republicans can convince the public that Reid is trying to ram through regulatory reform along partisan lines.

At a time when Americans appear as angry with Wall Street as they are with Washington, Democrats face some risk of coming off as arrogant for declining to make concessions that could win over Republicans.

Either way, Reid's move sets up another partisan clash in a chamber that has been deeply divided for much of the past year, on an issue that both parties had believed was ripe for bipartisan comity. On Thursday, there was a taste of that partisanship, when Reid made a motion to bring the bill to the floor and Senate Minority Leader Mitch McConnell (R-Ky.) objected.

McConnell accused Reid of impeding the talks between Dodd and Shelby.

"I don't think bipartisanship is a waste of time. I don't think a bill with the legitimacy of a bipartisan agreement is a waste of time," McConnell said. "My impression was that serious discussions were going on. I think they should continue."

Trying to head off Reid's strategy of peeling off a Republican, McConnell got all 41 Republican senators to say they'd be willing to back a filibuster of the Dodd bill in its current form, so it's not clear whether Reid can find even one Republican to break ranks, at least for the first vote.

But applying a lesson learned from the interminable negotiations over health care reform, the Democratic leaders are not in the mood to give Republicans the weeks for further negotiations they have demanded.

"I'm not going to waste any more time of the American people until they come up with some agreement," Reid said. "The games of stalling are over."

Reid's decision came on the day President Barack Obama traveled to New York to tell the city's financial titans that they should join his effort to fix the markets, rather than oppose it.

Monday's test vote raises the pressure on Dodd and Shelby to reach a deal, perhaps even one that would address only major elements of the legislation.

Dodd said he remained in talks only with Shelby and suggested that outreach to GOP moderates before Monday would be led by Reid.

Points of disagreement include the role of the federal government in winding down failing financial firms; the independence of a new consumer financial protection agency; and the extent of regulations to be placed on derivatives, the risky financial instruments at the heart of the 2008 global meltdown.

Both sides are being squeezed: Republicans, to avoid being seen as refusing to rein in Wall Street excesses; and Democrats, not to weaken the bill too much. Senior administration officials, including White House senior adviser David Axelrod and communications director Dan Pfeiffer, sat in on the Senate Democrats' weekly luncheon Thursday.

If the vote on Monday fails, Democrats would most likely head back to the negotiating table with Republicans to reach a deal and continue to force votes until at least one Republican joins them in opening the debate.

In a meeting Wednesday among Republican senators, members were divided on the emerging compromise, making it difficult for the GOP to reach any kind of quick consensus on how to move forward, according to people present at the gathering.

"When I heard where we were on a number of the policy issues, the bill, I felt, had moved in a not-positive way," Sen. Bob Corker (R-Tenn.) said Thursday. "I felt like where we were headed yesterday was toward a bill that I could not support. In getting a recap of sort of where it was going yesterday, it was pretty deflating as far as the policy goes."

Corker emerged from that gathering saying he was "relatively depressed" about outlines of the Shelby-Dodd compromise. Sources say his frustration stems, in part, from the direction of

the consumer protections.

In his talks with Dodd, Corker has pressed the chairman to scale back some of the power granted to the consumer protection agency and include a provision that would force the body to petition a panel of regulators for authority over payday lenders and nonbank financial organizations.

Shelby said earlier that Republicans would hold together Monday in opposition to the Senate Banking Committee bill, which passed on a party-line vote. He said he would recommend that all Republicans oppose the first key test vote, known as a motion to proceed — a move that would prevent the Senate from debating the bill.

Shelby said he expects the Senate to eventually pass a bill, but “it might take a series of votes.”

“We want to do something,” Shelby said. “We want the best bill we can put together.”

But already, at least one of the likely Republican targets, Maine Sen. Susan Collins, suggested she wasn't pleased with the process.

“A divisive vote on cloture this early would be a mistake,” Collins said.

© 2010 Capitol News Company, LLC

