Representatives, want to cut Social Security, since the Social Security system has little, if any, effect upon us getting our arms around the deficit and moving the budget toward balance over the next 10 years?

Mr. SCHUMER. My friend makes a good point. In fact, by law, the Social Security system and its pluses and minuses and the Federal Government's budget and its pluses and minuses must be separate. So by definition, by law, the two are separate. Social Security has its liabilities and assets, a big pile of assets over here, and the Federal Government has its liabilities and assets. The twain don't meet. One would think, particularly those who are saying privatize, that their opposition or desire to include Social Security in large-scale budget deficit talks, which we need and which are good—and I commend the group of six for moving forward in this direction—one would think that is an ideological agenda because they simply don't like Social Security and want to change it, privatize it, whatever, rather than any motivation about the deficit.

Then when we see that some of them may want to extend tax breaks for millionaires permanently, which would increase the deficit by a huge amount, and yet at the same time they say: Let's deal with Social Security, let's privatize it, which doesn't have anything to do with the deficit, one scratches one's head and says: I don't think deficit reduction is what is going on here.

Mr. NELSON of Florida. I thank the Senator for his erudite analysis.

Mr. SCHUMER. I thank my colleague for his erudite question.

I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. WHITEHOUSE. I ask unanimous consent to speak in morning business for 20 minutes.

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

DEBT AND DEFICITS

Mr. WHITEHOUSE. Madam President, Abraham Lincoln began his famous ''house divided'' speech with simple, homespun advice that we should first ''know where we are and whither we are tending,'' before we ''judge what to do and how to do it.'' We are embarked on a journey of great consequence regarding what to do about our Nation's budget and how to do it. This is a vital conversation. We simply must reduce our annual Federal deficits and our Nation's debt. But it would seem wise at this important time to take President Lincoln's advice and examine where we are and whither we are tending as we go about making these decisions.

I will touch on a few factual landmarks that may help orient us to where we are and help us learn whither we are tending. The first and most obvious is that we just weathered the worst economic crisis since the Great Depression. Few of us who were here then—I know the Presiding Officer was—will ever forget the animal fear and desperate urgency displayed by Treasury Secretary Paulsen and Federal Reserve Chairman Bernanke as they, having looked into that abyss, came to this building, to the LBJ room, and pleaded for our help to save the world economy. We are now past the worst depths of the financial and economic crises.

As this chart shows, the economic recovery measured in jobs is proceeding, though all too tentatively and all too slowly. In Rhode Island, we are still at 12 percent unemployment in the Providence metropolitan area and over 11 percent statewide. To Lincoln's question where are we, well, gradually trending in the right direction. But no one can yet rule out a double dip back into deeper recession.

Into this gradual and tepid recovery, the Republicans want to inject H.R. 1. What can we know about that? Mark Zandi, an economic adviser to Senator MCCAIN's 2008 Presidential campaign, says this legislation, the House bill, will cause 700,000 job losses. That wipes out about half of the recovery, if that number is correct. Goldman Sachs, the Wall Street investment bank, says that bill, H.R. 1, could lower GDP growth by two full percentage points in the remaining two quarters of the fiscal year. Goldman Sachs is no fool where economic numbers are concerned. It would be a perilous choice to dismiss their warning. Our present rate of economic growth is only about 3 percent. So reducing that by a full 2 percent over a year could wipe out more than half of our economic recovery. Of course, economic growth correlates to Federal revenues so the cuts' damage to economic growth would in turn create revenue loss, so there would be less deficit reduction. That is one landmark of where we are. We are in a too-slow economic recovery from what was nearly a second great depression, and we face a bill from the House that threatens that too-slow recovery.

Another mark of where we are and whither we are tending relates to the balance between regular Americans and corporate America's respective contributions to our Nation's revenue. In 1935, regular Americans and corporate America evenly split the responsibility to fund our country's obligations. Then in each of these indicated years, it broke through the following ratios: humans twice as much as corporations in 1948; three times as much in 1971; four times as much in 1981; and recently the ratio broke through 6 to 1, individual Americans contributing more than six times the revenue that corporate America contributes. When people say how overtaxed corporate America is, it is worth looking at the facts of where we actually are and whither for decades we have been tending—ever diminished corporate contributions to our Nation's revenues.

Look next at how we collect revenues. Look at the landmarks of our dysfunctional Tax Code. Start with what it takes to comply with our beast of a code. The National Taxpayer Advocate, an independent office within the IRS, has calculated that Americans spend 6.1 billion hours of time engaged in tax compliance each year. Think of what could be invented, what could be built with 6 billion hours of human work. Instead, it is all consumed, every year, in the economic dead weight loss of tax compliance. In terms of where we are, that is an important fact, and it is an abysmal place to be.

Let me take my colleagues to another place. Here is a picture from our Budget Committee Chairman KENT CONRAD taken in the Cayman Islands. This nondescript building doesn't look like much. It certainly doesn't look like a beehive of economic activity. But over 18,000 corporations claim this building as their place of business. It gives a whole new meaning to the phrase ''small business'' when we think of 18,000 corporations claiming that building as their place of business. As Chairman CONRAD has pointed out, the only business going on here is funny business, monkey business with the Tax Code, tax gimmickry. This is estimated to cost us as much as $100 billion every year. For every one of those dollars lost to the tax cheaters, honest tax-paying Americans and honest tax-paying American corporations have to pay an extra dollar or more to make up the difference.

Here is another building with a tax story to tell about where we are as we look at our budget debate. This is the Helmsley building New York City. This building is big enough to be its own zip code so that the IRS reports of tax information by zip code can tell us a lot about this building. Here is what this building tells us from actual tax filings. The well off and very successful occupants of that building paid a lower tax rate than the average New York City janitor paid. It seems extraordinary, but it is not a fluke. The average tax rate of the New York City janitor is 24.9 percent of their income. Of a New York City security guard, is 23.8 percent of their income. And of the occupants of that wonderful building, 14.7 percent of their considerably larger incomes. That seems as though it must be extraordinary, but it is not a fluke.

The IRS reports that the tax rate actually paid by the highest income 400 Americans—the story is the same—the highest earning 400 Americans, in the IRS's most recent calculation, each earned an average of $34 million-plus a year, over a third of a billion each and every year, 400 of them. I truly applaud their success. It is a magnificent thing. But here is the rub. They actually paid on average only a 16.7 percent total Federal tax rate. I asked my staff to calculate the wage level where a regular single worker starts paying 16.7 percent in total Federal taxes. It is at a salary of $28,650. A representative job at that income level in my home State, in the Providence labor market, is that of a hospital orderly which the Bureau of Labor Statistics calculates pays $29,100 a year. At that point, they are paying the same as the 400 biggest taxpayers who each earned over a third of a billion dollars, 16.7 percent. So it is not just the fortunate and successful residents of the Helmsley building who pay a lesser share of their income to support their country than does the janitor, it is also the top 400 income earners, those averaging over a third of a billion in income, who contribute a lesser share of their income than the hospital orderly pushing his cart down the halls of Rhode Island Hospital at night.

Where are we? Well, it seems to me we are upside down as far as this is concerned. I believe no less an economic titan than Warren Buffett, the fabled ''oracle of Omaha,'' agrees with me that this needs to be corrected.

The corporate Tax Code makes little more sense. Decades of lobbyists have carved it into a Swiss cheese of tax loopholes, of earmarks for the rich and powerful. The result? We have a nominal corporate tax rate of 35 percent. But here is what the New York Times reported last week. General Electric, one of the Nation's largest corporations, made profits of over $14 billion last year and paid no U.S. taxes. In fact, it actually received a $3.2 billion refund from the taxpayers. Maybe that was a 1-year anomaly. But a previous analysis by the New York Times of 5 years' worth of corporate tax returns found that Prudential Financial only paid 7.6 percent; Yahoo, 7 percent; Southwest Airlines, 6.3 percent; Boeing, 4.5 percent; and what looks to be our tax avoidance champion, on $11.3 billion of income, the Carnival Cruise Corporation paid 1.1 percent in Federal taxes. One recent paper actually calculated their cash effective tax rate at 0.7 percent on $11.3 billion in income. Carnival lines is not just taking us for a cruise, they are taking us for a ride.

But wait, there is more. Don't forget that we make the American taxpayer subsidize big oil to the tune of $3 billion a year, and big oil has made a trillion dollars in profits this decade. Indeed, on an effective tax rate basis, the petroleum-gas industry pays the lowest rate of any industry.

These are all noteworthy landmarks and each should inform us about where we are and whither we are tending as we face our budget. But the big landmark, the Mt. Everest of landmarks casting its vast shadow over the entire budget discussion, is health care.

I agree with Congressman PAUL RYAN. He said:

> If you want to be honest with the fiscal problem and the debt, it really is a health care problem.

He is dead right. And the landmark feature of this landmark problem is this. The health care cost problem is a health care system problem. Our national health care costs are exploding. The health care system is driving the costs of Medicare. The health care system is driving the costs of Medicaid.

The health care system is driving the costs of private insurance. The health care system is driving the costs of the military's TRICARE system. No one is exempt. The health care system is what is driving the cost problem in public and private programs alike. So we have to address the health care system problem if we are going to get our health care costs under control.

How do we solve this? We actually have a pretty good toolbox that has five major tools in it.

One, quality improvement. Quality improvement saves the cost of errors, misdiagnosis, disjointed care, and so forth. For example, hospital-acquired infections alone cost about $2.5 billion every year, and they are virtually entirely avoidable. They should never be events.

Two, prevention programs. Prevention programs can avoid the cost of getting sick in the first place. More than 90 percent of cervical cancer is curable if the disease is detected early through pap smears.

Three, paying doctors for better outcomes rather than for more and more tests and procedures can save money while improving the outcomes.

Four, a robust health information infrastructure has been estimated to save $81 billion a year by the RAND Corporation, and that number may very well be low as the system builds itself out.

Finally, five, the administrative costs of our health care system are grotesque. The insurance industry has developed a massive bureaucracy to delay and deny payments to doctors and hospitals. The doctors and hospitals have had to fight back, so they have had to hire their own billing departments and consultants.

In the little Cranston community health center, which I visited a few months ago, half of the staff are dedicated to trying to get paid, and they have to spend another $200,000 a year on consultants. All of that—the entire war over payment between insurers and hospitals and doctors—adds no health care value—zero. We have heard that on the private insurance side, anywhere from 15 to 30 percent of the health insurance dollar gets burned up in administrative costs. We know we can do better because the costs of administering Medicare are closer to 2 percent of program expenditures. Add this all up, and the numbers here are enormous.

The President's Council of Economic Advisers has stated that 5 percent of GDP can be taken out of our health care system without hurting the health care we receive. That is about $700 billion a year. The New England Healthcare Institute says it is $850 billion a year. The well-regarded Lewin Group has estimated the probable savings at $1 trillion a year, a figure echoed by former Bush Treasury Secretary O'Neill.

Not only are the numbers enormous, but the results are a win-win. Consider the five strategies: higher quality care with fewer errors and infections; prevented illnesses, so you do not get sick in the first place; secure, complete health records that are there when you need them, electronically, so your doctors, your lab, your pharmacy, your hospital, your specialists all know what everybody else is doing; payment to doctors and hospitals based on keeping you well and getting you well rather than on giving more procedures and things to you; and finally, not so much infuriating insurance company bureaucracy, hassling both patients and doctors. Those are not bad outcomes even without the savings.

So what do we draw from this if we keep all these landmarks in mind, landmarks of where we actually are in this budget debate? Well, our colleagues on the other side, particularly our House Republican colleagues, say they are determined to reduce our annual deficit and our national debt, that it is their top priority. But in evaluating that claim, look at H.R. 1, which spends all its cost-cutting fury on only 12 percent of the budget—the nonsecurity discretionary spending—and zero percent on the revenue side.

If they are really serious about deficit and debt reduction, why risk destroying 700,000 jobs when job destruction only adds to the deficit and to our debt through lost economic activity and revenue?

If they are really serious about deficit and debt reduction, why is not one corporate tax loophole on the chopping block—not one? Why is the Tax Code off limits in this discussion, as it burns up 6 billion of our precious hours every year and makes that hospital orderly, pushing that cart down the linoleum hallway at midnight, pay a higher rate than those fortunate and able Americans who made more than $1/3 billion each in a single year?

If they are really serious about this, if deficits and debt are really the most important thing we face, why is there no discussion of corporate America's ever-diminishing contribution as a share of our national revenue?

If our friends are really serious, why is there no plan for even one of the 18,000 corporations in that phony-baloney headquarters in the Cayman Islands to pay its proper taxes?

Finally, if they are really serious, why is there so much pure political nonsense about ObamaCare and socialized medicine instead of a mature discussion about using and improving the tools in the health care bill to address our grave national health care system problem?

Further, why is it necessary to throw Planned Parenthood and Head Start and every single idealistic young kid in City Year and Teach for America under the bus? Not one kid in an American school doing Teach for America can be spared, and yet we must keep our full deployment of 57,000 troops in Germany? Is it necessary to single out the

Environmental Protection Agency for the gutting that polluters long have lusted for? Why go after Social Security, which has never contributed a nickel to America's debt or deficit?

It just seems to me that until one, just one, corporate tax loophole is on the table; until one, just one, subsidy to big oil is on the table, one, just one, subsidy to big agribusiness; until we are even beginning to talk about billionaires contributing Federal revenue in the same share of their income as that hospital orderly; until our friends are not so casual about threatening 700,000 jobs and perhaps $20 billion in related tax revenue; until the cuts and all those riders in H.R. 1 make it something other than a Republican Trojan horse of political favors and ideology, then count me a skeptic about their real priorities.

I have always found that you get a better read looking at what people actually do rather than just believing whatever they say. If you look at what H.R. 1 actually does, it is the same old Republican agenda—attacking programs that help the poor, attacking women's right to choose, attacking national voluntary service, helping polluters get around public health measures, reducing the share of revenues paid by corporations and very high income individuals. It is the same old song. And most important, if you go that road, it is just not adequate to meet the serious problems at hand. We need to look throughout the budget and across all of our opportunities to bring down our Nation's deficits and to bring down our Nation's debt.

I look forward in the months ahead to a serious, fair, and sensible discussion, a mature discussion of how to reduce our deficits and our debt.

I thank the Chair, and I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. HARKIN. Mr. President, I ask unanimous consent that the Senate recess subject to the call of the Chair.

There being no objection, the Senate, at 6:21 p.m., recessed subject to the call of the Chair and reassembled at 6:54 p.m. when called to order by the Acting President pro tempore.

Mr. HARKIN. Mr. President, I suggest the absence of a quorum.

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

The legislative clerk proceeded to call the roll.

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

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

REMEMBERING RICK CURRY

Mr. MCCONNELL. Mr. President, I rise today to pay tribute to the life and accomplishments of one of the Commonwealth's most outstanding citizens, Mr. Rick Curry, who passed away on November 17, 2010, at the age of 65. Rick made significant contributions to his hometown of Corbin, KY, as an active citizen, an entrepreneur and the coowner of one of Corbin's most popular nightspots and downtown attractions, The Depot on Main restaurant. I am honored to have called him my friend.

Originally from London, KY, Rick graduated from London High School and attended the University of Kentucky before enlisting in the U.S. Air Force. After being stationed in Japan and completing his military service, he attended Cumberland College and later became the president of Curry Oil Company in London, and Petro Haulers Inc., a fuel hauling business. Not only was Rick a successful businessman, he was also involved in property development and owned key commercial properties.

Aside from his successful business endeavors, Rick had always dreamed of owning a restaurant. In 2004, he began to make that dream a reality when he purchased and renovated an old department store building in downtown Corbin. This once blighted and vacant building soon turned into a beautiful and thriving restaurant; The Depot on Main. It was Rick's pride and joy.

This renovation was not only significant to Rick personally, but also to the Corbin community. It came at a time when economic vitality was suffering and few people dared to make investments. But Rick did. His investment encouraged business development in downtown Corbin.

Many people who had the privilege of knowing Rick remember the remarkable recovery he made after suffering a stroke in 2007. He handled that crisis, as he did everything else, with such a positive attitude and indomitable spirit. Those qualities, as well as the bonds he forged with so many in the community through his work, through the restaurant and in his life will be what Rick Curry is remembered for.

My thoughts go out to his wife Holly, the citizens of Corbin, and many other beloved friends and family members for their loss. Rick was an upstanding gentleman and an irreplaceable citizen of the Commonwealth. He will be greatly missed.

Mr. President, the Corbin News Journal recently published an article honoring Rick and the legacy he left behind. I ask unanimous consent that the full article be printed in the RECORD.

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

DEPOT ON MAIN OWNER DIES AT AGE 65

(By Trent Knuckles)

To those who knew him best, local businessman Rick Curry was the kind of guy who lived life to the fullest—destined to enjoy every moment he was given.

Curry, owner of The Depot on Main restaurant in Corbin, died in the early morning hours last Wednesday at the University of Kentucky Medical Center in Lexington after suffering a brain aneurysm. He was 65-years-old.

''I can't say enough about Rick and what a good person he was,'' said Bruce Carpenter, Director of Economic Development for Corbin and part owner, along with his wife Teresa, of The Depot on Main with Rick and his wife Holly. ''He was a good-hearted person. He always wanted to have a good time and have fun. I feel so fortunate to have known him the last six years.''

Curry was president of Curry Oil Company, in London, and Petro Haulers Inc., a fuel hauling business. He also was involved in property development and owned key potential commercial properties in London and Corbin.

Carpenter said he first met Rick and Holly in 2004, shortly after voters in the city of Corbin approved a measure that allowed that sale of alcoholic beverages at qualifying restaurants in the city limits.

Curry always had the dream of owning a nice restaurant and saw opportunity in Corbin.

He was one of the first entrepreneurs to take advantage of the new law.

Curry purchased the old Daniel's Department Store building and began renovations on what would eventually become The Depot on Main.

At the time, Carpenter was beginning a push to create a Main Street Program in Corbin dedicated to revitalizing the city's central business district.

''When I found out what he was doing, I got very excited about it. He was taking an older building and totally renovating it and making it something beautiful. I thought it was a great opportunity to jumpstart downtown,'' Carpenter said. ''It was a tremendous amount of work. He made a big investment in our community. That is what always excited me about Rick was his investment and belief in our downtown.''

Corbin Mayor Willard McBurney said news of Curry's death was sad and that the city had lost a valuable advocate and ally.

''He sure took a void on Main Street and turned it into one of the nicest restaurants in this area,'' McBurney said. ''It was a blighted building and he made it something to be proud of. He invested a lot of money into our Main Street. He will be missed.''

Curry told the News Journal that construction of The Depot on Main cost about $800,000. Carpenter said his family and the Curry's became close over the years. In 2007, Curry suffered a serious stroke, but made a remarkable recovery.

''He always had such a positive attitude and a good support system around him. Once he was on the road to recover, I think he just fed off that. He will be greatly missed,'' Carpenter said.

According to his obituary, Curry was a London native who attended grade school at Saint William Catholic Church. He graduated from London High School and was a member of the school's football team.

While a student at the University of Kentucky be joined the U.S. Air Force and was stationed in Japan. After leaving military service had attended Cumberland College.

Funeral arrangements for Curry were handled by House-Rawlings Funeral Home.

A celebration of Curry's life was held Saturday at St. William Catholic Church in London.