

over. If that truckdriver gets a raise or if he or she decides they are going to work a second job at night and increase their income a little bit, guess what. They would then be paying a higher tax rate than those 400 super high income earners. In fact, the highest income earners pay a rate far below what people who think their average income earners actually pay.

Of course, tax inequality extends beyond just individuals. At a time when household budgets are strained, profitable corporations are paying just about their lowest share of Federal revenues in 75 years. If you go back to 1935, you see that regular Americans and corporate America evenly split the responsibility to fund our country's obligations, to pay for America's expenses. Then, in each of these following years, the ratio between what corporations pay in revenues to the government versus what individuals pay broke through these ratio levels. By 1948, the individuals were paying twice as much in revenues to the Federal Government as corporations. By 1971, regular humans, regular Americans were paying three times as much of the revenues of the United States of America as corporations were. In 1981, it broke through 4 to 1. For every \$1 an American taxpayer paid to support this country, corporations just kicked in one-quarter. In 2009, it broke through 6 to 1, meaning that the average American, the ordinary taxpayer, the individual human being puts in \$6 of revenue to support this country for every \$1 corporate America contributes.

When people say how overtaxed corporate America is, it is worth looking at this record of an ever-diminishing contribution by America's corporate community to our Nation's revenue. Of course, the Republican filibuster of our efforts to strip Big Oil subsidies that would have put \$21 billion back into taxpayers' pockets or reduced the debt and the deficit by \$21 billion is noteworthy in this light.

Even against this rapid decline in corporate tax support for American Government compared to a huge runup in what individual Americans pay, our colleagues on the other side of the aisle insist on continuing to support tax subsidies for Big Oil, while they are making the biggest profits any corporation has ever made.

We looked at the Helmsley Building a moment ago. Let's look at a different building. Let's look at a picture that our Budget Committee chairman, KENT CONRAD, uses. This was taken in the Cayman Islands. It is a relatively nondescript building, not worthy of particular note, except that over 18,000 corporations claim this building as the place they are doing business out of; 18,000 corporations. Really? Do we think 18,000 corporations are doing real business out of that building?

As Chairman CONRAD has pointed out, the only business going on in that building is funny business, monkey business with the U.S. Tax Code.

This is estimated to cost us as much as \$100 billion every year. For every one of those \$100 billion lost to the tax cheaters hiding down there in the Cayman Islands, honest, tax-paying Americans and honest tax-paying American corporations have to pay an extra \$1 or more to make up the difference.

We recently voted for a continuing resolution to fund the government for the remainder of the fiscal year, and in it I supported, and my colleagues supported, belt tightening across many agencies and programs, including even cuts in the accounts that fund Senators' offices. So we are not against cuts.

But serious people understand we cannot just cut our way back to a balanced budget. There simply is not enough to cut. Not since 1960—more than half a century ago—have we had a balanced budget at the revenue levels as a percent of GDP that the Republican House-passed budget proposes.

When our tax system permits billionaires to pay lower tax rates than truckdrivers and allows some of the most profitable corporations in the world to pay little or no taxes at all, even if we had no budget deficits fairness and equality would demand that we address these preposterous discrepancies.

Our budget crisis, however, brings new urgency to the problem. As we continue to debate ways to close the budget gap, I hope my Republican colleagues will revisit the potential to significantly cut the deficit by addressing tax loopholes, tax gimmicks, tax subsidies, and the daily injustice to the ordinary taxpayer when the wealthiest and highest income Americans pay tax rates that are the equivalent to an ordinary truckdriver in Rhode Island, and the basic lawyer or realtor or doctor is paying rates far, far higher than the super, superrich.

I see other colleagues have come to the floor, so I will yield the floor to them and appreciate very much the attention that has been paid to these remarks.

The PRESIDING OFFICER (Mr. TESTER). With some reservation, the Senator from Illinois.

Mr. DURBIN. Mr. President, there is a prohibition in the U.S. Constitution from cruel and unusual punishment, and the fact that you will be presiding in the chair when I am going to be speaking on an amendment which you are offering is truly cruel and unusual, but I am going to inflict it anyway. I will try to be as gentle as I can in the process.

Very briefly, I want to thank the Senator from Rhode Island for his comments on the Tax Code and the need we have in this country to address taxes in a responsible, humane, and, I would add, progressive way. I think he has made the point over and over again, which I will make myself in just a few moments, and I think the Senator from Vermont may follow me.

DEBIT CARD SWIPE FEES

Mr. DURBIN. But before that, I would like to address what is known affectionately as the Tester-Corker amendment, which was brought up on the Senate floor earlier this morning by Senator CORKER of Tennessee.

One year ago—to be more specific, about 11 months ago—we had a big debate on the floor of the Senate about Wall Street: What are we going to do about Wall Street and the practices on Wall Street which hurt our economy? Especially we were worried about the last recession and some of the things that happened on Wall Street at the biggest banks and biggest insurance companies that hurt Americans across the board; that reduced the value of our savings and caused us as a Congress, with President Bush's cooperation, to pass a basic bailout bill sending billions of dollars to these banks that had made stupid, reckless decisions that wrecked the economy; to try to save them from going under.

Think about that. Here are the biggest financial institutions in the United States that have made terrible decisions—some failed, such as Lehman Brothers—which harmed our overall economy—we are still suffering from it—harmed individual families and businesses across the board, and then, as they were about to sink out of sight, they said: You have to save us. Send us taxpayers' money.

Well, I will tell you something: I voted for that. I am not proud or happy about that, but that is the situation. But when the Chairman of the Federal Reserve and the Secretary of the Treasury came and said, as they did to us: This could be a catastrophe equal to the Great Depression if you do not do something—I thought to myself: This violates every value I have about these Wall Street financiers and the way they operate, but I cannot let the American economy go down. I think many Senators felt the same way on both sides of the aisle.

So we sent them billions of dollars to keep them afloat after their terrible decisions. How did they reward us? What was the thank-you card they sent to the taxpayers of America? They gave themselves bonuses—multi-million-dollar bonuses. These same banks, in their reckless stupidity, driving us into a recession, bailed out by taxpayers, then came back and announced they were giving each other rewards for great performance—millions of dollars. It finally ended up being billions of dollars to these big banks. Outrageous.

So last year we sat down with the Wall Street reform bill, the Dodd-Frank bill, and said: We are going to change some of the rules you play by up on Wall Street so you never have a chance to do this to America again.

We went through a broad array of things we considered. One of the things we considered affects virtually every single American; that is, the use of something called a debit card.

We may not think twice about it, but for those of us who have been around a little while, there was a time when we had cash in our wallets and a check-book. Those were the two ways we paid for things. Then came credit cards. Then came this new invention called a debit card. A debit card is basically a plastic check. When we swipe that debit card for a transaction, money comes out of our checking accounts and pays the merchant we are doing business with. It is a great convenience. I use them now. I think more than half of purchasers across America are used to using debit cards and credit cards every day.

But at the same time there was this growth in debit card use across America, something else was happening that was entirely invisible to the public. Each time that debit card was swiped, the banks ended up taking a fee. Well, you say: That is not unreasonable. They should be taking a fee. They used to collect a fee for processing checks. Why wouldn't they collect a fee for using a debit card? Except something was going on that we were not aware of until we looked into it closely: they were raising the amount they were taking each time the debit card was used to now the highest level debit card transaction fees in the world.

The Federal Reserve tells us they charge on average 44 cents every time someone swipes a debit card. In other words, if someone is running a little store in Springfield, IL, and a person walks in—and I have seen this happen—and says they want to buy a \$1.29 pack of gum, hands over the debit card, and they swipe the debit card, that merchant in that little store has to look at it and say: I just lost money. I am not going to make 44 cents of profit on the sale of that pack of gum. Now I have to pay that to the bank and credit card company, 44 cents.

So a year ago we said: Let's take a look and see what is a reasonable charge, not what they are charging but what is reasonable to pay to the bank and the credit card company. The Federal Reserve, which, if anything, has a strong bias toward the banking industry—always has; they are never viewed as a consumer protection agency—came back and said it ought to be closer to 10 cents or 12 cents, one-third or one-fourth of what is actually being charged.

So here is what we said: The Federal Reserve established a reasonable, proportional debit card swipe fee so consumers and retailers across America are not giving to the banks across this country, particularly the largest banks across this country, a windfall every time a debit card is swiped. It sounds reasonable to me. These merchants had no voice in determining how much was going to be charged on a debit card transaction. They were stuck with it. It was invisible, and it was killing them.

Well, what happened? What happened after we passed this? The banks and

credit card companies across America went on a warpath: We have to stop this debit card amendment.

They have spent a fortune lobbying Congress, working the Members back and forth, saying: You have to protect us. You cannot let this new rule go into effect which reduces the fee we collect every time anyone uses a debit card.

Why would they lose sleep over 44 cents? Add it up. Every month in America the banks are collecting \$1.3 billion from consumers across America. Every time we use a debit card to buy gasoline, groceries, go to a hotel, restaurant, make a contribution to the Red Cross in the middle of disaster, pay tuition at a university, they are taking a percentage out of every transaction to the tune of \$1.3 billion a month. That is why. They have moved Heaven and Earth to stop this new rule from going into effect which reduces the fees these banks—over half of them, the largest Wall Street banks—are collecting.

We are going to have a vote on it this week. It is an important vote, and it is a vote I think will be a test as to whether we are going to come down on the side of consumers, small businesses, and retailers in America, or on the side of the Wall Street banks and the credit card companies.

Interesting test, isn't it, to find out where the Senate is going to come down on this issue? I think it will be a close vote. I am not sure, but I think it will be close, and it is important.

Senator CORKER of Tennessee came to the Senate floor earlier and said: Well, we have come up with a solution. There is a new version of our amendment today which we are going to offer. Some Members have called it a compromise. It is not a compromise. A compromise suggests that both sides came together and agreed on something. There has not been any input from the retailers, small businesses, and consumers across America. The only compromise is among the big banks and the bigger banks in terms of what they are going to collect on these debit cards.

I will tell you point blank, if the purpose of this amendment is to protect credit unions and community banks, there is a way to do it. We can give them more reassurances beyond what the law already says, which I think is totally adequate for what we need to do. This amendment, this so-called solution amendment, does not even address it. What it addresses is the overall issue and the billion dollars-plus that these banks want to keep collecting while a so-called study goes on for another year. They want to include, incidentally, in the "reasonable cost" for the debit card executive compensation, compensation of bank officials.

How much compensation do we give to those who work at the Wall Street banks? It turns out last year it was \$20.8 billion in executive compensation. They want to add that in as part of the operational cost of using a debit card.

The bonuses? We are going to pay for the bonuses? That is a reasonable debit card cost?

I want to tell you, this amendment is written by and for the banks, the biggest banks of all, and it is not written with the consumers in mind. Look through all the organizations of this new amendment and try to find one consumer group, one small business group, one group of retailers that were part of establishing what a reasonable fee is. You will not find them. They are all banking regulators—people who have no reputation for standing up for consumers.

So the debate will ensue for the rest of this week on this amendment. I think it is a critical amendment. I hope my colleagues will stand by me and the Federal Reserve in the vote we took last year.

I see the Senator from Vermont is here. I was told I had a few minutes to speak. He appears anxious, so I am going to make my remarks on the other subject brief.

BUSH TAX CUTS

Mr. DURBIN. Mr. President, the Senator from Rhode Island spoke about the 10th anniversary of the George W. Bush tax cuts. These were tax cuts that primarily benefitted the wealthiest people in America, and we recently renewed them. There was a decision made that to keep the economy moving forward we were not going to raise taxes, even on the wealthiest people.

But it is worth reflection for a moment about what happened when we cut the taxes 10 years ago. The promise then is the same promise we now hear from the other side of the aisle: If you will cut taxes on the wealthiest people in America, our economy will flourish.

Well, it turns out that was not the case at all. In fact, what happened is that we saw the economy suffer. Ten years ago, President Bush signed into law the first massive tax cut. He said that this tax relief would create jobs. The month the first Bush tax cuts were signed into law, in June of 2001, the American economy had 132 million jobs—132 million jobs. Three years later, we were down to 131.4 million. Cutting taxes for the wealthiest people in America was not a job stimulator. The economy lost jobs in the 3 years following the Bush tax cuts. Over his 8 years in office, job growth under President Bush was 4.8 percent, compared to 16.2 percent under President Clinton.

Before I defer to my colleague from Vermont, I will tell you one other fact that is worth noting. First, when President Clinton left office and President George W. Bush took over, we had a surplus, a surplus that was keeping the Social Security trust fund flush with money and growing in strength. At that time, the net national debt, accumulated since George Washington, \$5 trillion—\$5 trillion when Clinton left office and Bush took over. Fast forward