

at all income levels brought in revenue of only 7.7% of GDP, according to U.S. budget historical data.

President John F. Kennedy's across-the-board tax cuts reduced the lowest and highest tax rates to 14% and 70% respectively after 1964, yet revenues (after excluding the 5%-10% surtaxes of 1969-70) rose to 8% of GDP. President Reagan's across-the-board tax cuts further reduced the lowest and highest tax rates to 11% and 50%, yet revenues rose again to 8.3% of GDP. The 1986 tax reform slashed the top tax rate to 28%, yet revenues dipped trivially to 8.1% of GDP.

What about those increases in top tax rates in 1990 and 1993? The top statutory rate was raised to 31% in 1991, but it was really closer to 35% because exemptions and deductions were phased-out as incomes increased. The economy quickly slipped into recession—as it did during the surtaxes of 1969-70 and the “bracket creep” of 1980-81, which pushed many middle-income families into higher tax brackets. Revenues fell to 7.8% of GDP.

The 1993 law added two higher tax brackets and, importantly, raised the taxable portion of Social Security benefits to 85% from 50%. At just 8% of GDP, however, individual income tax receipts were surprisingly low during President Bill Clinton's first term.

The Internet/telecom boom of 1998-2000 was the only time individual income tax revenues remained higher than 9% of GDP for more than one year without the economy slipping into recession (as it did when the tax topped 9% in 1969, 1981 and 2001).

But that was an unrepeatable windfall resulting from the quintupling of Nasdaq stocks—combined with (1) the proliferation of nonqualified stock options that have since been thwarted by the Financial Accounting Standards Board, and (2) the 1997 cut in the capital gains tax to 20%. Realized capital gains rose to 4.6% of GDP from 1997 to 2002—up from 2.5% of GDP from 1987 to 1996 when the capital gains tax was 28%.

Suppose the Congress let all of the Bush tax cuts expire in 2013, which is the current trajectory. That would bring us back to the tax regime of 1993-96 when the individual income tax brought in no more revenue (8% of GDP) than it did in 2006-08 (8.1% of GDP).

It is true that President Obama proposes raising the capital gains tax to 23.8%, which could raise more revenue than the 28% rate of 1993-96. But a 23.8% tax on capital gains and dividends would nevertheless be high enough to depress stock prices and related tax revenues.

Still, pundits cling to the myth that lower tax rates mean lower revenues. “You do probably get a modest boost to GDP from tax cuts,” concedes the Atlantic's Megan McCardle. “But you also get falling tax revenue. It can't be said too often—and there you are, I've said it again.”

Yet the chart nearby clearly shows that reductions in U.S. marginal tax rates did not cause “falling tax revenue.” It is not necessary to argue that tax rate reduction paid for itself by increasing economic growth. Lowering top marginal tax rates in stages from 91% to 28% paid for itself regardless of what happened to GDP.

It is particularly remarkable that individual tax revenues did not fall as a percentage of GDP because changes in tax law, most notably those of 1986 and 2003, greatly expanded refundable tax credits, personal exemptions and standard deductions. As a result, the Joint Committee on Taxation recently reported that 51% of Americans no longer pay federal income tax.

Since the era of 70% tax rates, the U.S. income tax system has become far more “progressive.” Congressional Budget Office estimates show that from 1979 to 2007 average in-

come tax rates fell by 110% to minus 0.4% from 4.1% for the second-poorest quintile of taxpayers. Average tax rates fell by 56% for the middle quintile and 39% for the fourth, but only 8% at the top. Despite these massive tax cuts for the bottom 80%, overall federal revenues were the same 18.5% share of GDP in 2007 as they were in 1979 and individual tax revenues were nearly the same—8.7% of GDP in 1979 versus 8.4% in 2007.

In short, reductions in top tax rates under Presidents Kennedy and Reagan, and reductions in capital gains tax rates under Presidents Clinton and George W. Bush, not only “paid for themselves” but also provided enough extra revenue to finance negative income taxes for the bottom 40% and record-low income taxes at middle incomes.

Mr. KYL. I note the absence of a quorum.

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

Mr. DURBIN. I ask that the order for the quorum call be rescinded.

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

Mr. DURBIN. Mr. President, I ask unanimous consent to speak as in morning business.

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

DREAM ACT

Mr. DURBIN. Mr. President, it was about 10 years ago that I received a call to my office in Chicago from a Korean-American mother who was concerned about her daughter. Her daughter had been brought to the United States at the age of 2, had grown up in the United States, all her brothers and sisters were born here as well, and her daughter had been accepted on a music scholarship. Turns out she was an extraordinarily talented concert pianist. She was graduating from high school and had been accepted at Juilliard School of Music and Manhattan Observatory School of Music, and in filling out the application, there was a question about her daughter's citizenship. Since she brought her daughter here on a visitor's visa at the age of 2 and never filed any papers, she wanted to know her daughter's status.

It turns out her daughter's status was very clear. She was undocumented, and the law was also very clear; that this 18-year-old girl who had lived here for 16 years was told she had to leave America. There was no recourse. She was not even being sent back to Korea because her family transited from Korea to Brazil to the United States. They wanted to ship her to Brazil, a country she was not even aware of with a language she did not speak, Portuguese. In that situation, her mother said: What can we do? I checked with the law, and it turned out there was no place to turn. Her daughter was without a country. That is when I introduced the DREAM Act.

The DREAM Act is legislation which says if you came to the United States as a child, if you have been a long-term resident of the United States, you have good moral character, and you graduate from high school, we will give you

two chances to become legal in America. You can either enlist in our military or you can finish at least 2 years of college. That was 10 years ago. I am still working to pass that legislation. Over the period of time I have worked on it, I have met hundreds, maybe more, of people like that young girl I just described. They are young people who have that kind of excited look in their eyes, they want to be part of this world. Most of them are college students or college graduates, but they cannot make the first move toward the life they want to live because they are undocumented.

That is why I continue to come to the floor of the Senate each week and tell their stories, urging my colleagues, on both sides of the aisle, in the name of justice, to give these kids a chance. We have a pretty basic principle in America. We do not hold kids responsible for the wrongdoing of their parents. We tell kids you are responsible for your own life. Do the right thing. Go to school. Don't get in trouble, study, aspire to greatness. Go to college, and they do. These kids do too. But they have an obstacle most children in America do not have. They have no country.

Senator MENENDEZ of New Jersey, my friend and colleague, had a great statement on the floor, and I have used it many times. I credited the Senator the first time, but I will credit him again because he is here. He tells of these young people getting up every day and putting their hands to their heart and pledging allegiance to the United States of America, going to events where they sing along with the only National Anthem they know, and in the eyes of the law, in the eyes of America, they are not part of us. They are somewhere in the middle.

Is that right? Is it fair? Is it a standard we want to establish in this country when it comes to justice? I don't think so. We need these young people. They are not only bright and energetic, they can become tomorrow's leaders in our military. That is why Secretary Robert Gates, who is retiring this month as Department of Defense Secretary, supports this legislation. That is why so many others have stepped up in both political parties and said this is a smart thing to do, give these young people a chance to prove themselves.

I just had a discussion in my office about H-1B visas. These are visas we offer to foreigners, people who were not born in the United States, to come here and work because we need their talent pool to be part of an expanding American economy. What about the talent pool of these DREAM Act students? As I have told their stories on the floor, these are students who are extraordinary: chemical engineers, mechanical engineers, teachers, aspiring attorneys, but they cannot do any of those things because they have no citizenship status in America.

I wish to share the story of two of them and I know Senator MENENDEZ is

on the floor and this will not take long. The first is Diana Banda. This is her photo. Diana was brought to the United States in 1993 at the age of 3. She grew up in Oregon and dreamed of being a first responder. She volunteered with the American Red Cross at her community emergency response team. During her senior year in high school, Diana was diagnosed with thyroid cancer. Thankfully, after a long struggle, she is cancer free. After her recovery, Diana is more determined than ever to pursue her dream. She is enrolled in a firefighting and paramedic program at the community college in Salem, OR. These students qualify for no Federal assistance. When they go to college, they pay for it out of their pockets. They sacrifice more than many students because they are determined to get an education.

Diana sent me a letter. This is what she said about her dreams for the future:

Although I love Mexico because it is the place I was born, I could not pack my things and move back to a place I know nothing about, a place I only know through old baby pictures and family stories.

Diana says:

America is my home. This is the place I love where everyone and everything I know is. I know nothing outside the United States. Whatever punishment I must pay, I am willing to do. All I ask for is a chance. Better yet I beg for a chance to prove that I am not a criminal, that I have much to offer this beautiful place.

Should we deport Diana Banda, a cancer survivor, a future paramedic, back to Mexico, a country she left behind when she was just a toddler? Should we accept her invitation to punish her? For what? For being part of the family who brought her here at the age of 3? It was not her decision; it was her parents' decision. Rightly or wrongly, she is in the United States. When you look at this photo and realize she could be part of our future, we realize what the DREAM Act is all about.

Let me introduce you to another dreamer. This is Monji Dolon. Monji's parents brought him here from Bangladesh in 1991 at the age of 5. As he grew up in his new home, Monji immersed himself in the study of computers and technology.

Monji wrote me a letter and said as follows:

For as long as I can remember, I have had an intense passion for technology. In middle school, that passion led to spending many nights constructing remote-controlled model and Van de Graaff generators. In high school, I fell in love with computers and the Internet, spending my senior year creating an online newspaper for my school.

Monji did not know about his immigration status until he started applying for college. He asked his parents what he should say in terms of his immigration status. That is when Monji learned he was undocumented. In 2008, Monji graduated from the University of North Carolina at Chapel Hill, an outstanding school. Again, let me put in

the record, these students who graduate from college do it facing sacrifices many students don't. They get no Federal assistance, none. Monji's prospects are limited, even though he graduated from the University of North Carolina Chapel Hill, an outstanding school, and he is being courted by the technology industry. They want to hire this bright young man. He has even been offered a job as a lead engineer for a startup company in Silicon Valley. Monji's prospects are constricted because of his immigration status. The DREAM Act would give him a chance to pursue his dreams and contribute his talent to the only country he has ever called home.

Here is what he told me:

I've turned down several great job offers from reputable companies because of my status. The DREAM Act would let me take my passion for technology to the next level by allowing me to move to Silicon Valley and pursue my dream as an Internet entrepreneur.

When you look at some of the most amazing technology in America today, you will find that many times it is the product of immigrants who came to this country and created companies that employ thousands of people. I do not know if Monji will be one of those persons. I think he deserves a chance. Would America be better off if we sent him back to Bangladesh, a country he has not been to in 20 years? Of course not.

There is so much discussion about America's economic future in the 21st century. Every year, with all these H-1B visas, we bring in talented people from overseas while at the same time our laws banish these talented people I just talked about back to countries they have never known as they have grown up. We could use people with Monji's talents in America. We can use them in technology, as we can use Diana's talents in the field of medicine. I first introduced this bill 10 years ago. Since then I have met so many immigrant students who would qualify. As are Diana Banda and Monji Dolon, they are America's heart. They are willing to serve our country, even risk their lives for our country, if we would just give them a chance.

I urge my colleagues in this political town, this partisan town, on this issue: Let's put it aside. Let's support basic justice and fairness. Let's give these kids a chance. I am willing to stake my reputation as a Senator on the fact that America will be a better place when the DREAM Act becomes law.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. MENENDEZ. Mr. President, first of all, I didn't come to the floor for this purpose, but I would be remiss if I didn't thank the distinguished Senator from Illinois, the Democratic whip, for his incredible commitment and passion to this issue. I have seen him just about every session take time out of every day to both dramatize and put a human face on this opportunity to turn

some of America's greatest prospects into opportunity and prosperity for this entire country. I am thrilled he has adopted various of my lines, and I am honored by it.

It is true; these young people came to this country through no choice of their own. The only country they have ever known is the United States of America. They put their hands on their hearts and pledge allegiance to the United States, and the only National Anthem they have ever learned to sing or believe in is "The Star-Spangled Banner."

We have a tremendous opportunity. I wish to thank the distinguished Senator for his incredible commitment to this issue. I appreciate it very much.

AFGHANISTAN

Mr. MENENDEZ. Mr. President, I have come to the floor to speak about something that I very passionately believe in, and that is my view in support of a significant and sustained reduction of American combat forces in Afghanistan beginning this July.

In short, I believe the time has come to move from a strategy of counterinsurgency to one of counterterrorism—a strategy that would rely on our specialized military forces to continue to engage those who present a real and continued threat to the national security of the United States and one that would allow us to bring home a majority of troops serving in Afghanistan.

After September 11, almost a decade ago, we were clearly justified in intervening in Afghanistan to defeat al-Qaida and bring bin Laden to justice for the atrocities they committed against Americans on our own soil. I supported President Bush at that time in that effort. I have a standard that if I am willing to send my son and daughter to fight for America on behalf of the Nation's national security interests, I will vote to send anyone else's sons and daughters. Not so in Iraq where I did not believe it was in the national security interests of the United States; and if I won't send my son and daughter, I won't vote to send anyone else's sons or daughters. But in Afghanistan nearly a decade ago, that is where the perpetrators of September 11 were, and it was the right engagement. Our original goals have largely been met in that respect.

Today, even according to the Director of the CIA, fewer than 100 members of al-Qaida remain in Afghanistan. Since September 11, we are painfully aware that the world is a different place, and we will always have to be vigilant. But the current threat simply does not justify the presence of 100,000 American troops on the ground. Bin Laden is dead, having hidden for years in Pakistan in plain view of the ISI, Pakistan's intelligence force, and the Pakistani military.

Clearly, the issue at hand is about terrorism not insurgency. Terrorism is a borderless issue represented by the