

The structure of our bill is pretty simple. If your total income—capital gains included—is over \$1 million, you calculate your taxes under the regular system. If your effective tax rate turns out to be greater than 30 percent, you pay that rate. If, on the other hand, your effective tax rate is under 30 percent, like Warren Buffet's 11 percent, then you would pay the fair share tax rate.

After collecting input from some of my colleagues, I have also included a provision to allow the fair share tax to be gradually phased in for taxpayers earning between \$1 million and \$2 million per year. Taxpayers earning less than \$1 million—which is 99.9 percent of all Americans—wouldn't be affected by this bill at all. Taxpayers earning over \$2 million would be subject to the 30 percent minimum Federal tax rate, and those in between \$1 million and \$2 million would pay, on a phased-in basis, a portion of the extra tax required to get up to the 30-percent effective tax rate. This way we make sure no taxpayer faces a tax cliff where earning an additional \$1 of income increases his or her taxes by more than \$1.

In his State of the Union Address on Tuesday, President Obama called for legislation to ensure that the highest earning taxpayers pay at least a 30-percent tax rate. The Fair Share Act would do just that. To call our tax system fair, I believe the highest income Americans should pay a higher rate—not a lower one—than middle-income taxpayers. For more context, let's take a look again—because I have given this speech over and over on the floor—at how superhigh-income-tax payers fare under our current system.

This is the Helmsley Building in New York, as I have pointed out before. It is on Park Avenue, and it has a unique characteristic, which is that it is so big it has its own ZIP Code. Because the Internal Revenue Service publishes information about tax payment by ZIP Code, we can see what the tax payments are that come out of this building. What we find with the latest information that the IRS has published is that the average filer has an adjusted gross income of over \$1 million in the Helmsley Building, but the average tax payment out of that building is only 14.7 percent.

To provide a little context for that, if we look at what the average New York City janitor or the average New York City security guard pays in terms of an effective all-in Federal tax rate, it is 28.3 percent for the security guard and 24.9 percent for the janitor. So at this point it looks as if the people who are the very successful occupants of the Helmsley Building pay an actual lower Federal tax rate than the people who come in and clean the building, and that does not seem fair or sensible.

One might say, well, maybe it is just something about the Helmsley Building that causes it, but it is not. Despite Leona Helmsley's infamous line that it

is only the little people who pay the taxes, it is a broader issue than that. Take a look at the income tax information about the 400 highest earning Americans.

In the same way that the IRS aggregates information by ZIP Code, it also takes the highest income earners and reports on them in aggregate. The 400 top incomes for 2008—which is the last year the IRS has assembled—had an average income each of \$270 million, which certainly is something to be proud of and to celebrate if one can achieve that kind of success. But the average tax rate paid by the 400 was only 18.2 percent, which is—apart from the discussions we have been having in the Senate—about what the top income tax rate should be.

We discuss often whether the top income tax rate should be 35 percent or should be 39.6 percent. It was 39.6 percent, for instance, during the booming Clinton economy. It is now 35 percent. Depending on where the tax cut discussion goes, it may go back up again. But that is not what a large number of these very high income earners pay. In fact, the top 400 aren't anywhere near that. They are at half that, at 18.2 percent. We are supposed to have a progressively graduated Tax Code, with people who earn more paying a higher rate.

Let's see who else pays at the 18.2-percent rate. We looked at Bureau of Labor Statistics information for a single filer earning \$39,350. That is where you hit an 18.2-percent tax rate, just like the 400 who made \$¼ billion each, on average. They are in the same position as somebody who is earning a little less than 40,000 who pays 18.2 percent under our present system. If we look at the type of jobs that hit that area, according to the Bureau of Labor Statistics, in the Rhode Island labor market a truckdriver earns on average \$40,200. So we have a truckdriver paying the same rate of Federal tax as somebody earning \$¼ billion in a year.

So I think there is plenty of room for correction and to bring our tax system in line to the principle that I think we all espouse theoretically, which is that it is a progressive tax system. The more you earn, the more you pay and indeed the higher rate you are supposed to pay. It is not supposed to be at the other way around where, at the other high extreme, you end up paying lower rates than regular Americans.

The Helmsley Building was one building that has a little story to tell all of us. Here is another building with a story to tell. This is a building that is called Ugland House, and it is in the tax haven Cayman Islands. It doesn't look like much, does it? I don't want to say it is a crummy little building, but it certainly doesn't compare to a lot of other business buildings. But it does have something remarkable happening within it. It has 18,000 corporations that claim to be doing business out of this location—18,000 corporations in this little five-story building. It gives a

new meaning to the phrase “small business.”

As our budget chairman KENT CONRAD has pointed out, the only business going on in Ugland House is funny business with our Tax Code, shell companies that hide assets and dodge tax liabilities. It does not make sense that our tax system permits the highest income Americans to pay a lower tax rate than a truckdriver pays, and it doesn't make sense that we allow Americans and American companies by the thousands to hide income in offshore tax havens.

If we look at the rates that are paid—Warren Buffet 11.6 percent, the occupants of the Helmsley Building on average 14.7 percent, and the 400 \$¼ billion-a-year earners on average 18.2 percent—and we look at the fact that we have multi-trillion-dollar budget deficits, it means the taxes they are not paying at the nominal 35-percent rate are taxes that somebody else ends up having to pay either through deficit or through additional taxation.

This is why the Fair Share Act makes a lot of common sense, and I hope Senators on both sides of the aisle will take a look at it. This bill would do a lot of good. It would simplify taxes. There is no point chasing loopholes if someone knows they are going to have to pay the 30-percent minimum. It will simplify that. It would discourage the exotic tax dodges that allow people to go down to 14 percent or whatever tax rates because they know they are going to get caught at 30 percent, so why do the effort. The exotic tax dodges will be discouraged. It will reduce the deficit. We don't have a number yet from the Joint Committee on Taxation, but the public reporting so far has suggested it is going to be in the \$40 billion to \$50 billion range per year. Of course, it will bring fairness, as well as common sense, to our tax system. It makes no sense for somebody earning \$80,000 or \$100,000 or \$120,000 a year to be paying a substantially higher tax rate than somebody earning \$¼ billion a year.

There are a lot of advantages that come with enormous income, and that is a great thing because America thrives on capitalism, and we all love success. We celebrate success in America. We provide an economy and a culture in which people can accomplish remarkable things and create enormous fortunes and become enormously successful. That is part of what is good and what is right with America. They do it through hard work, they do it through being smarter than other people, they do it with a lot of good personal characteristics. But with all the advantages that do come with an enormous income, paying a lower tax rate than regular working families should not be one of those advantages.

I hope we can get together to correct this, and I look forward to working with my colleagues on this issue.

By Mr. KOHL (for himself and Mr. WYDEN):

S. 2060. A bill to provide for the payment of a benefit to members eligible for participation in the Post-Deployment/Mobilization Respite Absence program for days of nonparticipation due to Government error; to the Committee on Armed Services.

Mr. KOHL. Mr. President, I rise today to introduce the Fair Military Leave Act. This legislation fixes a problem that is preventing some of our brave servicemembers from using benefits that they earned after serving multiple or extended deployments overseas.

In 2007, the military established the Post-Deployment/Mobilization Respite Absence Program, or PDMRA, to assist men and women who are ordered to deploy beyond the established standards for troop rotation by providing extra paid leave when they return home. Unfortunately, a mistake during demobilization prevented some soldiers from receiving the paid leave they earned. The Army's records indicate that this problem affects 577 soldiers across the country, including 80 in Wisconsin.

These soldiers have since gotten their military records corrected to reflect the days of PDMRA leave they were supposed to receive. However, the only way for these soldiers to use this benefit is to take extra paid leave on a future deployment. For those soldiers who will not deploy again or who have left the military entirely, this remedy does not work.

Mistakes happen, but they need to be fixed. The Fair Military Leave Act gives troops the option of cashing out the leave they were incorrectly denied when they came home. This solution is modeled after legislation Congress passed in the National Defense Authorization Act for fiscal year 2010. As with that bill, the Fair Military Leave Act reimburses soldiers at a rate of \$200 per day of PDMRA that they were incorrectly denied.

I am pleased to have the senior Senator from Oregon join me as an original cosponsor of this legislation. My friend from Oregon led the effort to fix the earlier problem with PDMRA benefits in the 2010 defense authorization.

The men and women of our Armed Forces have done so much for our country, and we should not drag our feet in making this right. These troops earned their PDMRA benefit, and they should be allowed to use it.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 365—HONORING THE LIFE OF KEVIN HAGAN WHITE, THE MAYOR OF BOSTON, MASSACHUSETTS FROM 1968 TO 1984

Mr. KERRY (for himself and Mr. BROWN of Massachusetts) submitted the following resolution; which was considered and agreed to:

S. RES. 365

Whereas Kevin White was born in Boston on September 25, 1929;

Whereas his father, Joseph C. White, a legislator of the Commonwealth of Massachusetts; his maternal grandfather, Henry E. Hagan; and his father-in-law, William Galvin; each served as presidents of the Boston City Council;

Whereas Kevin White earned a bachelor's degree from Williams College in 1952, a law degree from Boston College in 1955, and also studied at the Harvard Graduate School of Public Administration, now the John F. Kennedy School of Government;

Whereas in 1956, Kevin White married Kathryn Galvin;

Whereas in 1960, at the age of 31, Kevin White was elected Secretary of the Commonwealth of Massachusetts and was reelected 3 times, serving until 1967;

Whereas in January 1968, Kevin White became the 51st Mayor of the City of Boston, Massachusetts;

Whereas within months after taking office as Mayor of Boston, Kevin White was instrumental in helping guide the City of Boston after the assassination of Dr. Martin Luther King, Jr.;

Whereas on April 5, 1968, Mayor White asked that the James Brown concert at the Boston Garden be televised rather than be cancelled, as many suggested;

Whereas during the concert, Mayor White addressed the citizens to plead for calm and said, "Twenty four hours ago Dr. King died for all of us, black and white, that we may live together in harmony without violence, and in peace. I'm here to ask for your help and to ask you to stay with me as your mayor, and to make Dr. King's dream a reality in Boston. No matter what any other community might do, we in Boston will honor Dr. King in peace.";

Whereas during his time as Mayor of Boston, Kevin White undertook a program of urban revitalization of the downtown areas of Boston that forever transformed Faneuil Hall and Quincy Market;

Whereas during his time as Mayor, Kevin White brought the residents of each neighborhood of Boston, from Mattapan to Charlestown, from South Boston to Brighton, from East Boston to West Roxbury, together through programs like Summerthing, Little City Halls, and jobs for at-risk youth;

Whereas in 1974, Judge W. Arthur Garrity Jr. of the United States District Court for the District of Massachusetts ordered Boston to begin busing children to integrate its schools;

Whereas during a difficult period of racial tension for the City of Boston, Mayor White urged the people of Boston to remember their common identity;

Whereas from 1984 to 2002, Kevin White was the director of the Institute for Political Communication at Boston University;

Whereas Mayor White valiantly fought against Alzheimer's disease after his diagnosis in 2003 and despite this debilitating challenge, he never stopped being an example of strength for the City of Boston and his family;

Whereas Kevin White is survived by his wife, Kathryn; a brother, Terrence, who managed his early campaigns; his sons, Mark and Chris; his daughters, Caitlin, Beth, and Patricia; his 7 grandchildren; and his sister, Maureen Mercier;

Whereas the most famous campaign slogan coined Kevin White, "A loner in love with the city"; and

Whereas the irony of the slogan is that Kevin White was never lonely and that the people of Boston who he loved so much, loved him back: Now, therefore, be it

Resolved, That—

(1) the Senate—

(A) recognizes that Kevin White forever enriched the Boston political landscape and forged a new path for the City of Boston;

(B) pays tribute to the work by Kevin White to improve the lives of the residents of the City of Boston; and

(C) requests the Secretary of the Senate to prepare an official copy of this resolution for presentation to the family of Kevin White; and

(2) when the Senate adjourns today, it stand adjourned as a mark of respect to the memory of former Boston Mayor Kevin Hagan White.

SENATE RESOLUTION 366—HONORING THE LIFE OF DISSIDENT AND DEMOCRACY ACTIVIST WILMAN VILLAR MENDOZA AND CONDEMNING THE CASTRO REGIME FOR THE DEATH OF WILMAN VILLAR MENDOZA

Mr. MENENDEZ (for himself, Mr. RUBIO, Mr. NELSON of Florida, and Mr. CASEY) submitted the following resolution; which was considered and agreed to:

S. RES. 366

Whereas, on Thursday, January 19, 2012, 31-year-old Cuban dissident Wilman Villar Mendoza died, following a 56-day hunger strike to highlight his arbitrary arrest and the repression of basic human and civil rights in Cuba by the Castro regime;

Whereas, on November 2, 2011, Wilman Villar Mendoza was detained by security forces of the Government of Cuba for participating in a peaceful demonstration in Cuba calling for greater political freedom and respect for human rights;

Whereas Wilman Villar Mendoza was sentenced to 4 years in prison after a hearing that lasted less than 1 hour and during which Wilman Villar Mendoza was neither represented by counsel nor given the opportunity to speak in his defense;

Whereas, on November 25, 2011, Wilman Villar Mendoza was placed in solitary confinement after initiating a hunger strike to protest his unjust trial and imprisonment;

Whereas Wilman Villar Mendoza was a member of the Unión Patriótica de Cuba, a dissident group the Cuban regime considers illegitimate because members express views critical of the regime;

Whereas security forces of the Government of Cuba have harassed Maritza Pelegrino Cabrales, the wife of Villar Mendoza and a member of the Ladies in White (Damas de Blanco), and have threatened to take away her children if she continues to work with the Ladies in White;

Whereas Human Rights Watch, which documented the case of Wilman Villar Mendoza, stated, "Arbitrary arrests, sham trials, inhumane imprisonment, and harassment of dissidents' families—these are the tactics used to silence critics.";

Whereas Amnesty International stated, "The responsibility for Wilman Villar Mendoza's death in custody lies squarely with the Cuban authorities, who summarily judged and jailed him for exercising his right to freedom of expression.";

Whereas Orlando Zapata Tamayo, another prisoner of conscience jailed after the "Black Spring" crackdown on opposition groups in March 2003, died in prison on February 23, 2010, after a 90-day hunger strike;

Whereas, according to the Cuban Commission on Human Rights, the unrelenting tyranny of the Castro regime has led to more than 4,000 political detentions and arrests in 2011; and

Whereas Cuba is a member of the United Nations Human Rights Council despite numerous documented violations of human rights every year in Cuba: Now, therefore, be it

Resolved, That the Senate—

(1) condemns the Cuban regime for the death of Wilman Villar Mendoza on January 19, 2011, following a hunger strike to protest his incarceration for participating in a peaceful protest and to highlight the plight of the Cuban people;

(2) condemns the repression of basic human and civil rights by the Castro regime in Cuba that resulted in more than 4,000 detentions and arrests of activists in 2011;

(3) honors the life of Wilman Villar Mendoza and his sacrifice on behalf of the cause of freedom in Cuba;

(4) extends condolences to Maritza Pelegrino Cabrales, the wife of Wilman Villar Mendoza, and their children;

(5) urges the United Nations Human Rights Council to suspend Cuba from its position on the Council;

(6) urges the General Assembly of the United Nations to vote to suspend the rights of membership of Cuba to the Human Rights Council;

(7) urges the international community to condemn the harassment and repression of peaceful activists by the Cuban regime; and

(8) calls on the governments of all democratic countries to insist on the release of all political prisoners and the cessation of violence, arbitrary arrests, and threats against peaceful demonstrators in Cuba, including threats against Maritza Pelegrino Cabrales and members of the Ladies in White (Damas de Blanco).

AMENDMENTS SUBMITTED AND PROPOSED

SA 1496. Mr. CORKER submitted an amendment intended to be proposed by him 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; which was ordered to lie on the table.

SA 1497. Mr. CORKER submitted an amendment intended to be proposed by him to the bill S. 2038, supra; which was ordered to lie on the table.

SA 1498. Mr. BLUMENTHAL (for himself and Mr. KIRK) submitted an amendment intended to be proposed to amendment SA 1470 proposed by Mr. REID (for himself, Mr. BROWN of Massachusetts, Mr. LIEBERMAN, Ms. COLLINS, Mrs. GILLIBRAND, Mr. LEVIN, and Mr. FRANKEN) to the bill S. 2038, supra.

SA 1499. Mr. CORKER submitted an amendment intended to be proposed by him to the bill S. 2038, supra; which was ordered to lie on the table.

SA 1500. Mr. INHOFE (for himself and Mrs. HUTCHISON) submitted an amendment intended to be proposed to amendment SA 1470 proposed by Mr. REID (for himself, Mr. BROWN of Massachusetts, Mr. LIEBERMAN, Ms. COLLINS, Mrs. GILLIBRAND, Mr. LEVIN, and Mr. FRANKEN) to the bill S. 2038, supra.

SA 1501. Mr. MCCAIN (for himself and Mr. COBURN) submitted an amendment intended to be proposed to amendment SA 1472 proposed by Mr. TOOMEY (for himself, Mrs. MCCASKILL, Mr. DEMINT, Mr. UDALL of Colorado, Mr. RUBIO, Ms. AYOTTE, Mr. PORTMAN, Mr. THUNE, and Mr. JOHANNES) to the amendment SA 1470 proposed by Mr. REID (for himself, Mr. BROWN of Massachusetts, Mr. LIEBERMAN, Ms. COLLINS, Mrs. GILLIBRAND, Mr. LEVIN, and Mr. FRANKEN) to the bill S. 2038, supra; which was ordered to lie on the table.

SA 1502. Mr. BENNET (for himself and Mr. TESTER) submitted an amendment intended

to be proposed by him to the bill S. 2038, supra; which was ordered to lie on the table.

SA 1503. Mr. TESTER (for himself and Mr. COCHRAN) submitted an amendment intended to be proposed to amendment SA 1470 proposed by Mr. REID (for himself, Mr. BROWN of Massachusetts, Mr. LIEBERMAN, Ms. COLLINS, Mrs. GILLIBRAND, Mr. LEVIN, and Mr. FRANKEN) to the bill S. 2038, supra.

SA 1504. Mr. COONS submitted an amendment intended to be proposed by him to the bill S. 2038, supra; which was ordered to lie on the table.

SA 1505. Mr. PORTMAN submitted an amendment intended to be proposed by him to the bill S. 2038, supra; which was ordered to lie on the table.

SA 1506. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill S. 2038, supra; which was ordered to lie on the table.

SA 1507. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 2038, supra; which was ordered to lie on the table.

SA 1508. Mr. REED submitted an amendment intended to be proposed by him to the bill S. 2038, supra; which was ordered to lie on the table.

SA 1509. Mr. VITTER submitted an amendment intended to be proposed by him to the bill S. 2038, supra; which was ordered to lie on the table.

SA 1510. Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 2038, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 1496. Mr. CORKER submitted an amendment intended to be proposed by him 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; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____ AMENDMENTS TO THE FEDERAL RESERVE ACT.

(a) MAINTENANCE OF LONG RUN GROWTH; PRICE STABILITY AND LOW INFLATION.—Section 2A of the Federal Reserve Act (12 U.S.C. 225a) is amended—

(1) by striking “maximum employment, stable prices,” and inserting “long-term price stability, a low rate of inflation,”; and

(2) by at the end the following: “The Board shall establish an explicit numerical definition of the term ‘long-term price stability’ and shall maintain monetary policy that effectively promotes such long-term price stability.”.

(b) RULE OF CONSTRUCTION.—The amendments made by subsection (a) shall not be construed as a limitation on the authority or responsibility of the Board of Governors of the Federal Reserve System—

(1) to provide liquidity to markets in the event of a disruption that threatens the smooth functioning and stability of the financial sector; or

(2) to serve as a lender of last resort under the Federal Reserve Act when the Board determines such action is necessary.

(c) CONGRESSIONAL OVERSIGHT.—The Board of Governors of the Federal Reserve System shall, concurrent with each semiannual hearing to Congress, submit a written report to the Congress containing—

(1) numerical measures to help Congress assess the extent to which the Board and the Federal Open Market Committee are achiev-

ing and maintaining a legitimate definition of the term long-term price stability, as such term is defined or modified pursuant to the second sentence of section 2A of the Federal Reserve Act (as added by this section);

(2) a description of the intermediate variables used by the Board to gauge the prospects for achieving the objective of long-term price stability; and

(3) the definition, or any modifications thereto, of the term long-term price stability, as such term is defined or modified pursuant to the second sentence of section 2A of the Federal Reserve Act (as added by this section).

SA 1497. Mr. CORKER submitted an amendment intended to be proposed by him 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; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE II—RESIDENTIAL MORTGAGE MARKET PRIVATIZATION AND STANDARDIZATION

SEC. 201. SHORT TITLE.

This title may be cited as the “Residential Mortgage Market Privatization and Standardization Act of 2012”.

SEC. 202. DEFINITIONS.

For purposes of this title, the following definitions shall apply:

(1) COVERED MORTGAGE LOAN.—

(A) IN GENERAL.—The term “covered mortgage loan” means any residential mortgage loan, including any single-family and multifamily loan, that is originated, serviced, or subserviced, in whole or in part, owned directly or indirectly, including through any interest in a security that is backed in whole or in part by a mortgage loan, or securitized or res securitized, by an entity or affiliate or subsidiary thereof that is regulated by any of the agencies listed in subparagraph (B).

(B) AGENCIES.—The agencies listed in this subparagraph are—

(i) the Board of Governors of the Federal Reserve System;

(ii) the Department of Agriculture;

(iii) the Department of Housing and Urban Development;

(iv) the Federal Deposit Insurance Corporation;

(v) the Federal Housing Finance Agency;

(vi) the Farm Credit Administration;

(vii) the Federal Trade Commission;

(viii) the Office of the Comptroller of the Currency;

(ix) the National Credit Union Administration; and

(x) the Securities and Exchange Commission.

(2) ENTERPRISES.—The term “enterprises” means, individually and collectively, the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

(3) FHFA; DIRECTOR.—The terms “FHFA” and “Director” mean the Federal Housing Finance Agency and the Director thereof, respectively.

(4) MORTGAGE DATA.—

(A) IN GENERAL.—The Director shall define mortgage data, by regulation, consistent with this paragraph.

(B) SINGLE-FAMILY LOANS.—For single-family covered mortgage loans, the term “mortgage data” means, as of the date of origination—

(i) the loan origination date and the loan maturity date;