

one of the engines that has driven this great economy of ours, made us the land of opportunity, and created the American middle class. Someone once said that if you take the "capital" out of capitalism, all you have left is an "ism." There is a lot of truth in that play on words.

My support for a lower capital gains rate was probably born when one of the great political inspirations of my life, President John F. Kennedy, advocated lower capital gains taxes as part of his "a rising tide raises all boats" fiscal policy. During my first term in the Senate in 1989, I supported President George H.W. Bush's proposal to lower the capital gains tax. I was one of a small group of Democrats to do so. During the 1990s, I worked alongside the late, great Jack Kemp in support of lower capital gains rates, especially for gains made on capital investments in low-income urban and rural areas which we called enterprise zones. Throughout the years, I cosponsored broad proposals to lower the capital gains tax with Senator HATCH and other Members of the Senate from both political parties. To me, economic history proves that lower capital gains taxes grow our economy and higher capital gains taxes don't increase revenues. This particular tax increase is especially ill-timed, since it is clear that literally billions of dollars are now being held back from new investments in America by individuals and businesses because they are uncertain about the future of our economy and the future of government policies that will affect their businesses and their investments. The best thing we could do to regenerate economic growth is to adopt broad-based tax and entitlement reform that would bring our government books into balance and give American businesses and investors a sense of certainty about the economic environment in which they will be living for years to come. The Buffett rule, on the other hand, targets a particular kind of economic activity—capital investments—which are what America's economy and people urgently need now. And that is why I would have voted against the Buffett rule.

MORNING BUSINESS

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent the Senate proceed to a period of morning business, with Senators permitted to speak therein for up to 10 minutes each.

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

SURFACE TRANSPORTATION ACT

Mr. WHITEHOUSE. Mr. President, I will be closing the Senate very shortly, but before I do I want to say a few words about a topic that came up today. Obviously, I was pleased that a majority of the Senate, indeed a bipartisan majority of the Senate, has just voted to eliminate an unfortunate gim-

mick in the Tax Code that allows people who make north of a quarter of a billion dollars a year to pay lower tax rates than a Providence, RI truck-driver pays if he is single. I think that is pretty hard to justify, frankly. I think a lot of Americans spent last week preparing their taxes and having heard from Warren Buffett who 1 year paid an 11-percent all-in Federal tax rate, a rate obviously higher than his secretary paid, something Mr. Buffett himself has complained about, there is a pretty wide sense that the American Tax Code serves special interests and people who have phenomenal amounts of wealth much better than it serves regular middle-class taxpayers.

That is particularly true if you avoid doing what my Republican colleagues have done, which is focus on the most progressive part of the Tax Code, the income tax part, and ignore the most regressive part of the Tax Code which hits the working families the hardest, which is payroll taxes. Almost everything they will say about the American Tax Code conveniently omits the taxes that most Americans pay—more Americans pay than the income tax, frankly.

But we had a good discussion on that subject. I think because it was so difficult for so many of my colleagues to come out in favor of an upside-down tax situation in which somebody making a quarter of a billion dollars pays a lower rate than somebody making \$100,000 or \$90,000, other topics were brought up. We kind of had a march through all the topics one could think of. One of them, very central to all of us here in the Senate today, is jobs, and it was pointed out that the tax fairness bill is not a jobs bill. Of course it would be if you took the \$47 billion to \$162 billion in revenue it creates and put it toward infrastructure. Then it would create literally hundreds of thousands of jobs. But because it does not define where the revenue is going to go I cannot say it is a jobs bill. It is a tax fairness bill. That was its intention.

But we do have a jobs bill here in Congress. We have a very significant jobs bill. We have a highway transportation bill. The Presiding Officer serves with me on the Environment and Public Works Committee and knows how hard we worked to get that bill through the Environment and Public Works Committee. It is exactly the kind of bill that people from outside of Washington, looking in at Washington, want to see us do. You had a chairman on the Environment and Public Works Committee, BARBARA BOXER of California, and a ranking member on the Environment and Public Works Committee, Senator INHOFE of Oklahoma, who are from about as polar opposite political points of view as they could be, but they found a way to come together on this bill. They worked with all of us on the committee. As a result the bill passed out of the Environment and Public Works Committee unanimously, every Republican and every Democrat.

Then it came to the floor, and there are complaints from time to time around here that stuff gets jammed on the floor and there is not enough of an open amendment process. There were 5 weeks of debate and amendment of this bill on the Senate floor. I think 41 amendments were added to the bill, either by vote or by agreement during the course of that—Republican amendments, Democratic amendments. When the dust settled on the whole process and everybody had their say and everybody had their votes and all the amendments that could be considered were considered, we voted on it and 75 Senators either voted for it or were out of town and have said that they would have voted for it had they been here. So you had an effective vote of 75, I think, to 22. By our standard here that is a colossal bipartisan landslide.

The bill itself was supported by everybody from the U.S. Chamber of Commerce—which is probably the most active Republican lobbying and political organization in the country—to environmental groups, to the labor unions. This is a bill that everybody supports. From a jobs point of view it is 2.9 million jobs. It is 9,000 jobs in my home State of Rhode Island. This is a big deal.

The bill was sent over to the other side of the Capitol and there it sits. The Speaker will not take it up. What I hear is because he does not want to count on Democratic votes. To somebody who wants a job or who wants a cousin or a sister to have a job—to be out working, rebuilding roads, rebuilding bridges, rebuilding highways, rebuilding our national infrastructure—it is pretty hard to explain why you would walk away from a bill that creates 3 million jobs, a bill that is bipartisan, that went through a full process in the Senate, when they have no bill whatsoever of their own, and do so because they do not want to use Democratic votes. That is sort of the ultimate Washington insider reason for not doing something important for the country.

When we talk about jobs in the Senate, until we get action in the House that creates a real bill, I don't think we should be getting any lectures about jobs from our Republican colleagues. I am told that the House is passing another extension. As the Presiding Officer knows, these extensions cost a ton in the way of jobs. It has been estimated by our Director of Transportation that it would be a thousand jobs lost in Rhode Island from the extension we have already agreed to through the end of June. If we pass that through the end of September, there goes the entire building season. That is going to hurt.

I spent time in Rhode Island when we were home over the recess period with the Director of Transportation, who is a very able Director. He has worked under Republican and now Independent Governors. He describes that they have a list this long of projects that they