

Professor Singer who may continue to uphold this concept.

As an original cosponsor of this bill, I ask that this Chamber swiftly pass this piece of legislation. I am dismayed that we need it; but protecting the legal status of a baby who is already born is the logical, humane course for America to take.

THE BUDGET REVERSAL

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentleman from Missouri (Mr. GEPHARDT) is recognized during morning hour debates for 5 minutes.

Mr. GEPHARDT. Mr. Speaker, I rise to urge a debate about the budget and Social Security. Tomorrow Republicans mark up their budget in committee. Next week they put it on the floor for consideration. Their budget will reveal the following facts: Republicans spent \$4 trillion in surplus funds. They created deficits as far as the eye can see. They drained \$2 trillion from Social Security, breaking promises made repeatedly to safeguard these funds. Their policies reversed 8 years of progress. Their budgets brought a historic reversal that impacts people's lives.

Fifteen months ago, unemployment was under 4 percent. We were having serious discussions about what we were going to do with this huge and mounting surplus. How much should we save for Social Security? How much should we put into Medicare? How much should we invest in a prescription drug program? Should we put more money in education? Should we pay down more debt? And there were many who said that we could do all of it because the surplus was so enormous.

So where are we today, March 12, 2002? We are not discussing what to do with the surplus. The surplus is just about gone. Today we are having that tired, troubled discussion we had for much of the last 20 years: What are we going to do about the deficit? How are we going to save Social Security? What are we going to do to save Medicare? And how are we going to take care of health insurance for the unemployed?

This is a Republican budget that breaks promises made over and over in the last 3 years to protect Social Security. It fails to keep our intergenerational contract and commitment. It threatens the retirement security of millions of baby boomers. In the aftermath of Enron, it is the height of irresponsibility.

Five times, Republicans put bills on this floor to create Social Security lock boxes. They voted five times to make the trust fund for Social Security inviolate. They voted five times to save Social Security first. Yet, they put forward a budget that jeopardizes Social Security just as the baby boomers are about to retire. Their budget spends the Medicare surplus in each of the next 10 years. It makes a

meaningful Medicare prescription drug program impossible. It reduces our commitment to public education, and it cuts programs promoting clean air and water that makes a difference in children's lives.

This is not a debate in the end about the budget. It is a debate about integrity, and it is a debate about responsibility. It is a debate about the values we want guiding our budget decisions.

What are our values? In this budget, our values call for keeping our commitments by saving Social Security first. Our values call for adding a real prescription benefit to Medicare, where it belongs. Our values call for making every public school a great and successful public school. Our values call for paying the Federal debt down. Our values call for cutting taxes in order to promote long-term economic growth and opportunity.

I will never forget 1993. We balanced the budget. We made tough choices because we believed in opportunity, responsibility, and community. We put that plan together using the right values.

So I urge Republicans, let us pass a budget that invests in national security, homeland defense, education, prescription drugs and our environment, and keeps Social Security sound and puts the Nation back on the path to fiscal health. Let us have an economic growth summit to reach the goals we all share. Let us get about keeping our commitments. Let us get about saving Social Security first and doing it beginning today.

SAVING SOCIAL SECURITY

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentleman from New Mexico (Mr. UDALL) is recognized during morning hour debates for 5 minutes.

Mr. UDALL of New Mexico. Mr. Speaker, clearly, this administration and the Congress have done a good job at tackling the issue of terrorism, but there are many other important issues which need our attention, and one of these is Social Security.

Last May, this administration was giving us a different message on Social Security. We were told we could have a tax cut, save the Social Security surpluses, pay down the debt, and fund other urgent national priorities. Today, we are in a far different situation. We are not saving any of the surpluses; in fact, we are spending them. Mr. Speaker, \$1.5 trillion over 10 years of Social Security surpluses are going to be spent under the current budget plans. We are not paying down the debt. We are, in fact, increasing the debt, unlike the predictions that were made. Plans are under way to increase the national debt ceiling, so we are headed into more debt, rather than as it was promised earlier we were going to be out of debt in 10 years.

Why is the erasing the debt important? It is important because by paying

down debt, we are freeing up resources to help save Social Security.

At points in our history in dealing with this debt, 25 cents of every tax dollar that comes in has been spent on just servicing the debt. So if we lower that debt amount, that 25 cents, then we are freeing up resources, current resources that are coming in to protect Social Security. That means we are going to have Social Security there for the long term.

Last year, all of us repeatedly promised to protect the Social Security and Medicare trust fund surpluses and promoted a series of lock box proposals as evidence of their commitment. Now, however, this administration's budget diverts \$1.5 trillion of the Social Security Trust Fund surpluses for day-to-day government operations for the next 10 years and beyond.

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Even taking the administration's optimistic numbers at face value, according to the CBO this administration's budget spends hundreds of billions of dollars from the Social Security trust fund.

Moreover, the Social Security surpluses that the budget depletes are needed to finance the benefits promised under existing law. Strengthening these programs to prepare for the baby boom's retirement or adding even the administration's inadequate prescription drug benefit requires resources outside of these surpluses. Since the budget does not provide such resources, these programs will require benefit cuts or even more borrowing to remain sound for the long term, as noted in the recent report of the President's hand-picked Social Security Commission.

The administration proposes a budget with a \$1.5 trillion on-budget deficit over the next 10 years. Two weeks ago, the Congressional Budget Office confirmed that the enacted tax cut was the largest single factor in the \$4 trillion deterioration of the budget. Now, the administration proposes to undermine the fiscal outlook with about an additional \$600 billion in tax cuts. Every penny of these additional tax cuts comes out of Social Security and Medicare trust fund surpluses.

In addition to this assault on the Social Security surplus, the Social Security Commission marks further danger to this highly successful program. To nobody's surprise, the commission is a strong advocate to create individually controlled, voluntary personal retirement accounts.

I supported the establishment of USA accounts, which would exist as a separate retirement vehicle outside of Social Security and would include Federal matching funds to encourage Americans to save. However, this administration's plan, through this commission, would divert \$1 trillion out of the Social Security system and into private accounts. This will double Social Security's shortfall and deplete

the trust fund by 2003, 15 years earlier than currently projected.

Moreover, under President Bush's plan, seniors will be forced to rely on private accounts that rise and fall with the stock market, thereby leaving their retirement security vulnerable to fluctuations in the market.

This program is too important to gamble with a volatile stock market, and Social Security must continue to be a vital safety net in the future. We must do everything possible to ensure it survives to provide benefits for all Americans.

SOCIAL SECURITY

The SPEAKER pro tempore (Mr. BALLENGER). Pursuant to the order of the House of January 23, 2002, the gentleman from New Jersey (Mr. PALLONE) is recognized during morning hour debates for 5 minutes.

Mr. PALLONE. Mr. Speaker, to my great disappointment, President Bush, with the assistance of the gentleman from Texas (Mr. ARMEY) and other Republicans, are promoting Social Security privatization. This includes replacing all or part of the current Social Security program with a system of individual retirement accounts which diverts funds from Social Security, and thus transfers investment risks from a pool of all workers to the individual.

All of the evidence shows that plans that allow people to divert part of their payroll taxes into private accounts makes Social Security's financing problems worse, not better. If some of the funds coming into Social Security over the next 75 years are diverted away from the program and into private accounts, then even more funds will be needed to pay for future Social Security benefits.

For example, if 2 percentage points of the current 12.4 percent payroll tax were diverted into private accounts, then the Social Security trust funds would be exhausted in 2024, 14 years earlier than is now expected. In short, if funds are diverted away from the Social Security program as it currently exists, the changes that are already needed to return Social Security to fiscal soundness will have to be more severe.

Mr. Speaker, Congress really should strengthen and protect a guaranteed benefit for seniors, for survivors, and for those with disabilities. Today, individual benefits are dependable and determined by law, not the whims of the stock market. This guarantee must not be changed, and Social Security must not, under any circumstances, be privatized.

Mr. Speaker, I would like to highlight that the Republican budget uses Social Security to pay for large corporate tax breaks. For example, there are 136,559 American workers earning \$30,000 a year who are paying 6.2 percent in FICA taxes. This money goes into the Social Security trust fund, from which the Republicans have now

diverted, in the budget, \$254 million in tax breaks to Enron; and that is Enron, I am talking about.

Now, we know that Enron is bankrupt. Does that mean that the corporate tax break goes back to the trust fund where it belongs? No, not at all. It will go to other corporations instead. By using the Social Security trust fund to finance corporate tax breaks, Republicans are breaking the promise that the government makes to working families.

Mr. Speaker, Social Security will continue to run an annual surplus this year and for the next 14 years. The program is solvent until 2037, at which point the trust fund will be exhausted and incoming revenues will meet only about three-quarters of benefit obligations.

But privatization is sure to harm only the solvency of Social Security, which will mean that the current and future beneficiaries would face benefit cuts, survivors and the disabled would lose their secure pensions, and the retirement age would have to increase. Overall, the Social Security system that our seniors have depended on for over 65 years would quickly erode away.

Mr. Speaker, I do not think that the American people realize what the effect of this Republican privatization proposal means. It means that it is going to be more difficult for Social Security to remain solvent over a longer period of time, and with these kinds of benefit cuts and increases in the age for eligibility, all these things will result from this Republican privatization proposal that they have put out there.

It is amazing to me that they continue to talk about it, they want to bring it up in committee, and they want to bring it to the floor. I think ultimately their goal, obviously, will be to destroy Social Security. I want to stress, as a Democrat, that Democrats are not going to stand for throwing away Social Security. The American people should not stand for it.

Democrats are going to be talking about this crazy privatization proposal by the Republicans for many days because we do not want it to happen, and we feel it is very important that we shed light on what is really going on here and what the Republicans have in mind with privatizing Social Security.

SOCIAL SECURITY

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentlewoman from Illinois (Ms. SCHAKOWSKY) is recognized during morning hour debates for 5 minutes.

Ms. SCHAKOWSKY. Mr. Speaker, we could have no higher goal than to protect and improve the financial security of retirees, survivors, dependents, and disabled workers.

For 67 years, Social Security has been the bedrock of that security.

Nearly 46 million people living in one out of every four households in this country today receive monthly benefits from Social Security. Social Security provides critical insurance protections against the future loss of income due to retirement, death, or disability for 96 percent of all workers, their spouses, and their children. Social Security provides over half of the total income for the average elderly household.

For one-third of women over age 65, Social Security represents 90 percent of their total income. Without this program, half of older women in this country would be living in poverty.

It is our responsibility to ensure that the Social Security program guarantee is here today, tomorrow, and for generations to come. It is our job, as elected officials, to enact the policies needed to maintain that guarantee and to reject policies that undermine Social Security; it is not our job to spend taxpayer dollars to send out worthless paper certificates designed to provide a false sense of security to American seniors and their families. We should not be engaged in a public relations campaign, but rather in a serious policy discussion that lets us debate how best to continue the Social Security commitment, to guarantee lifelong and inflation-proof benefits.

I understand why the Republican leadership may want to delay that debate until after the next election. I can understand why they want to distance themselves from recent history.

First, there is the budget record. Despite all the rhetoric about putting Social Security revenues in a lockbox, the lock to that box has been picked by Republican budgets. It is true that the lockbox resolution passed in the House provided certain exceptions, such as war or recession, but it is not true that one of those exceptions was providing tax breaks to the wealthy. The Congressional Budget Office has indicated that the single largest factor in the disappearing budget surplus is last year's tax cut.

As Members know, the Congressional Budget Office has estimated that even without new taxes or spending, we will take \$900 billion from the Social Security trust fund over the next 9 years. Now President Bush is proposing new tax cuts of \$675 billion over 10 years and \$343 billion to make last year's tax cuts permanent, most of which go to the wealthiest, money that will come out of Social Security and Medicare.

The Bush budget proposes to take \$553 billion of the Medicare surplus and \$1.5 trillion of the Social Security surplus over the next decade, and I doubt that any certificate will assure senior citizens that Social Security solvency is a priority, given those figures.

Second, there are those unfortunate statements by Treasury Secretary O'Neill.

Last May, in an interview with the Financial Times, Secretary O'Neill stated that "Able-bodied adults should save enough on a regular basis so they