

these three distinguished Members of the House, my colleagues, for their participation.

I think this has been an extremely reasoned, hopefully informative and persuasive prayer to the Republican leadership to look at this issue, to take a second look at it, be impressed by the fact that we are not operating in a bipartisan process, and we must if we are going to have a credible Committee on Standards of Official Conduct, and then to look substantively at these three rules, how they undermine, create mischief, make it impossible, really, to conduct the oversight, the ethical oversight of the House of Representatives in a way that will make the institution proud and make us credible to the American people.

#### SOLVING THE CHALLENGE OF SOCIAL SECURITY

The SPEAKER pro tempore (Mr. DAVIS of Kentucky). Under the Speaker's announced policy of January 4, 2005, the gentleman from Georgia (Mr. PRICE) is recognized for 60 minutes as the designee of the majority leader.

Mr. PRICE of Georgia. Mr. Speaker, I appreciate the opportunity to address the House this evening on an issue that is really of utmost importance and urgency. It is something that has been in the news an awful lot over the past number of weeks and months; and hopefully tonight we will be able, along with some of my colleagues, to bring some greater clarity to the importance of this issue, as well as the importance of solving the challenge of this issue, and that issue is Social Security.

As a freshman here in Congress, when I go home I get asked, What are your impressions of Congress? What is going on up there?

I am struck by two things. The first is that we live in challenging times, incredibly challenging times, and there are issues that demand attention and that demand the honest, hard work of the people in Congress on behalf of the citizens of our Nation, and it is imperative that we act. Our constituents demand that we act, and it is appropriate that they should do so.

The second impression that I have is that I could not be more proud to serve with a President who is not afraid to tackle big issues. We have got some incredible issues before us, Social Security being one of them, and this President has put it on the table and said, Ladies and gentlemen, let's work together honestly and sincerely and let's solve this problem.

We had a break at home recently; we were all home for 2 weeks talking to our constituents and our neighbors and friends, and I had the privilege of being with Secretary of Health and Human Services Mike Levitt, who was speaking to a group about Social Security, and he kind of crystallized it, I thought, really very, very well.

He said, There comes a time in history when a problem is large enough to see, yet still small enough to fix.

There comes a time in history when a problem is large enough to see, yet still small enough to fix, and I believe that Social Security is exactly at that stage. The problem is large enough to see, but still small enough to fix.

Let me begin very briefly, and then have some of my colleagues join me. I would like to talk about some principles. I think it is important when we have discussions about public policy, especially on something as important as Social Security, that we stick to principles. I can outline four or five principles that I find to be incredibly important in this discussion about Social Security.

The first one is that it is a promise. I believe and I suspect that the majority of Americans believe that Social Security is not just a government program; it is not just a program that was instituted 70 years ago willy-nilly. It is more than a safety net. It is a promise. It is a covenant with the American people by all of us to the generations of hard-working Americans, and it says that Washington took money from your paycheck, your paycheck, your entire life, and they made a promise to you to return that money upon your retirement. So it is a promise.

The second principle that I think is important to keep in mind is that of generational fairness. It is imperative that we save and that we secure Social Security so that our children and our grandchildren will receive the same benefits that we when we retire will have enjoyed. So generational fairness. It only works when it is fair for all Americans.

The third principle, and this is a tough one in this institution, and I was listening to my colleagues on the other side of the aisle a little bit earlier and sometimes with amusement, but the third, which I am serious about and I believe that all of us should be, is that this issue should not be partisan. It ought not be partisan.

When it comes to the retirement of tens of millions of Americans, there are not Democrats or Republicans. We are all Americans, and those Americans are counting on us to work together and to do what is right for the current generation and for future generations and those just entering the workforce. So it ought not be partisan.

Fourth is that concept of a nest egg. All working Americans deserve the peace of mind that if they live by the rules and they work hard and they live up to their responsibilities, that there ought to be a nest egg available to them, taken from that money that they have so generously put into the Social Security system.

Finally, and we oftentimes find that Washington forgets this, but to all Americans, this is your money. This is your money. It is not the government's money; it is your money. It is your future, and it is your life.

I think if we keep in mind those principles, that it is a promise, that there ought to be generational fairness, that

it ought not be partisan, that we ought to concentrate on preserving that nest egg, and, finally, it is your money, that it is Americans' money, we will go a long way towards ending up with the right solution.

I am privileged to be joined tonight by a number of my colleagues who will touch on some issues as they relate to Social Security and their perspective. First is the gentleman from South Carolina (Mr. WILSON). The gentleman from South Carolina (Mr. WILSON) recently returned from that 2-week period conducting over 20 town meetings with constituents regarding Social Security.

When I think of those Members of the House who have the highest level of honor and integrity, the gentleman from South Carolina (Mr. WILSON) is right at the top of that list. In my very short period of time here in Congress, I have come to appreciate him greatly. He is the grandfather of two young boys, and he clearly understands the demographic challenges that are facing Social Security and the need to strengthen the system now.

With that, I yield to the gentleman from South Carolina (Mr. WILSON).

Mr. WILSON of South Carolina. Mr. Speaker, I thank the gentleman from Georgia (Mr. PRICE) for his leadership tonight. It is just a great honor to be here on this very important issue of Social Security and strengthening Social Security, and I appreciate again what the gentleman is doing to bring to the attention, Mr. Speaker, of our colleagues, additionally to the American people, the importance of how we can and why we need to strengthen Social Security.

The gentleman from Georgia (Mr. PRICE) himself is an indication of the leadership in our Congress, and I am so proud. Even though he is just a freshman, he is making such a difference.

I had the extraordinary opportunity in 2001 to be part of the first Republican majority in the State Senate of South Carolina in 124 years, but the gentleman from Georgia (Mr. PRICE) had in 2002 the opportunity to be the first participant in the Republican majority in the State Senate of Georgia in 125 years. Then, as an indication of his leadership, he was elected leader of the State Senate of Georgia, again the first Republican in 125 years. Then he, of course, ran for Congress last year, and is making such a difference.

The reason that we are here indeed to discuss the issue of why we need to strengthen Social Security I believe is very simple: it is demographics. This is not criticism of a political party; it is not criticism of individuals. What we are doing is recognizing something actually very good, and that is that the American people are living longer.

In 1935, when the Social Security system was implemented, the average longevity, the age of what a person in the United States would live, was 59 years old. Today, it is 77.3. I think that is great. It is a testimonial to our health

care, to the health care delivery system, to the physicians of our country, to the living standards of the American people.

□ 2115

I had the opportunity to bring this to the attention, as the gentleman from Georgia (Mr. PRICE) has indicated, to 20 town hall meetings recently: the Residence Hall Association of the University of South Carolina, to the Latin American Council of Beaufort County, to the Aiken County Chamber of Commerce, to the employees of Palmetto Electric Coop. Everywhere I went, and I spoke at Estill High School, Hampton High School, everywhere I went I was able to bring to the attention of people of all ages that, due to demographics, we need to make changes and address the concerns that we have with people living longer.

Then, of course, we had the circumstance back in 1935, there were 40 workers who paid into the system, and then there was one beneficiary. Back in 1950, that changed, of course, and there were 16 workers to a beneficiary. Currently, there are 3.3 workers to a beneficiary; and soon there will be just 2 workers to a beneficiary. That clearly indicates we need to strengthen and reform the system.

As I look at what we are doing, it is very frustrating to me that many people seem to indicate that, because the crisis is not going to come about until the year 2041, that it really does not impact people and maybe we do not need to address and make the changes that are necessary. But I need to tell my colleagues, I understand perfectly that in fact it affects everyone in this room, it affects our families.

I appreciate the gentleman from Georgia (Mr. PRICE) pointing out my grandchildren, but even before the grandchildren are impacted, it really affects persons such as me, the baby boomers of America.

Beginning in 2008, there will be 78 million people retiring; and what is going to occur is that, beginning in 2008, the number of retirees is going to dramatically impact and affect the Social Security system. In fact, it will go bankrupt in the year 2041.

The year 2041, that seems so far away. I am very hopeful. I would be 93 years old. So I have to tell my colleagues that that is maybe highly unlikely that I could be around. But a dear friend of mine, Austin Cunningham, who introduced me as I made a presentation like this one to the Orangeburg County Rotary Club, is 92 years old. So I really hope that I am there.

But that would be catastrophic for those of us as baby boomers if Social Security goes bankrupt. At the age of 93, we cannot begin second careers. There will not be other jobs. We need to address it.

Then I need to tell my colleagues that I am really proud that our oldest son, Alan, just returned from Iraq. He

is 31 years old. That is significant, 31 years old, because 36 years from today, he will be 67. He would be retiring. The moment he begins to retire, July 16, 2041, the Social Security system would go bankrupt. That is outrageous.

I am very proud of Alan. This is a picture of where he returned to Fort Stewart from a year serving in Iraq.

So our veterans of Iraq in the war on terrorism, protecting the American people, they are working to protect our country. We need to look out for young people like Alan, 31 years old, who would be catastrophically affected.

Then, of course, my grandchildren. I am very proud, because this week I was with my 2-year-old at the South Congaree Rodeo Festival, and here he is in his little cowboy hat. Little Addison would be 37, 38 years old when our system will go bankrupt. Our newest born grandchild, born just this January, will be 35 years old when the system goes bankrupt. That would be catastrophic.

My grandchildren, our grandchildren, these young people would be affected with an enormous tax increase that would be totally debilitating to their best years of earning, so debilitating to their ability to truly fulfill what we want as part of the American dream.

So I want to thank my colleagues who are here tonight. I want to thank the gentleman from Georgia (Mr. PRICE) for his leadership, and I want to thank President Bush for his courage to point out that this is an issue that needs to be addressed now. It needs to be addressed for the baby boomers, it needs to be addressed for the young people who are in their 30s, high school students, college students, infants who were just born. We need to address this, and I know my colleagues tonight will be presenting to the American people how important this is.

Mr. PRICE of Georgia. Mr. Speaker, I thank the gentleman from South Carolina (Mr. WILSON). He is absolutely right about the President, with his courage and leadership. The easy thing in this issue is to do nothing.

Mr. WILSON of South Carolina. That is right.

Mr. PRICE of Georgia. That is the easy thing to do. Because there are a few years where people are not going to feel it, they are not going to feel that pain, but the gentleman from South Carolina so vividly brings a face to that by presenting his son and his grandchildren, and I appreciate that very, very much.

I would like now to yield to the gentleman from Texas (Mr. CONAWAY), another fellow freshman who is the father of four grown children and a grandfather to six. He has demonstrated remarkable leadership in his 3 short months in Congress with me, and over the break he conducted 15 Social Security town hall meetings in his district. He brings excellent expertise to this issue, because he is a CPA and a small business owner and former chief financial officer. He truly understands the financial impact that a failing Social

Security system will have on his children and his grandchildren and all of us.

So I thank the gentleman, and I yield to him to discuss this issue.

Mr. CONAWAY. Mr. Speaker, I appreciate that.

I, too, want to add my thanks to the gentleman from Georgia for hosting this hour tonight and for going to the lengths that he has gone to gather us together to talk about this very important issue. Had I realized that we could use grandchildren as props as the gentleman from South Carolina (Mr. WILSON) did, I would have brought pictures of mine, because I want to make reference to my six wonderful grandchildren in a few minutes. So the gentleman from South Carolina, as always, has set a very high standard for discussion in this Chamber.

Over the last several weeks at least, I have on occasion caught glimpses of a television commercial that I have found very troubling as we try to discuss and talk about this very important issue of Social Security reform. There is an organization out there that has a commercial running that talks about a clogged drain, a household drain, and they use that as a comparison to the problems and challenges that we face with Social Security.

On its face, it is ludicrous to compare a normal, everyday occurrence of a clogged drain, one that you fix out of your normal operating budget and one that just happens all the time, to the very difficult-to-solve problems that we face with Social Security. We cannot fix those out of our normal operating budget, the normal budgetary process, the problems that we have where in 2017 we will begin to run a cash flow deficit. That means that the payroll taxes that we collect each year will be less than the benefits that we pay out. So at that point in time, we will begin to have to use the surpluses that have accumulated in Social Security. That means that we have to borrow the money in the open market to redeem those IOUs, or we have to cut spending, Federal spending in other areas to make up for that cash flow.

So a very significant problem is coming in 2017.

Then, in 2041, we will have paid back, paid out in benefits all of the accumulated surpluses that are in the Social Security trust; and, at that point in time, current law, as it currently exists, says that the beneficiaries in that date, in 2041, will experience an immediate 27 percent haircut in their benefits. So a clogged drain and a cash flow deficit in 2017, a system that is bankrupt in 2041, a 27 percent haircut in benefits, that is a misplaced analogy if I have ever heard one.

Then this commercial goes on to say that the solutions are like tearing down the house, and they have a bulldozer that runs through this house and destroys it totally. Well, as I look at the reforms that are being talked about, every time any of us talk about

it, whether it is the President in his crossing this country back and forth, trying to convince the American people that Social Security reform is something that we ought to be about today, the first thing out of his mouth, the first thing out of yours I suspect at our town hall meetings, the first out of mine, is that current beneficiaries, my mom and dad, this is not about you. We have made you promises. You are getting your Social Security benefits. You will continue to get your benefits no matter what happens. No matter what we do, we have made those promises and we are going to keep those.

Near-term beneficiaries, folks in the 55 and up bracket, if that is where we decide to draw the line, it is not about you either. Your benefits will not be affected.

And reforms that affect our grandchildren, my six and the grandchildren of the gentleman from South Carolina (Mr. WILSON), to say, look, if we think Social Security is good for my mom and dad, it is good for me, then we believe it is good for you as well. So we are going to put reforms in place for our grandchildren.

So those are the reforms that this organization equates with tearing down the house and, in effect, destroying Social Security. Again, a misplaced analogy. I do not think it is helpful to the discussion. I do not think it is helpful or adds to the effort that the gentleman from Georgia (Mr. PRICE) talked about. The gentleman is right. This is not a partisan issue.

The solutions that fit Social Security do not wear jerseys. They do not wear a Democrat jersey. They do not wear a Republican jersey. So to simply fill up the airwaves with conversations and discussions that are not productive, that are not about fixing the system; I am from west Texas. We leave off the "G" on the word "fixing" often. So, to the stenographer, there is no "G" in the word "fixin'." is counterproductive to this entire process.

So I want to add my voice to trying to bring this organization to the table.

Part of our frustration is that we cannot get folks who are opposing Social Security reform to actually begin to sit down and have conversations with us in our inside voices to talk about what these solutions ought to be.

So I am going to send a letter out tomorrow to the leadership of AARP, the American Association of Retired Persons, and it reads like this:

"Dear leadership: I write today not only as a Member of Congress, but also as a member of your organization and a grandfather. We all know that the debate over Social Security has become very political. However, I strongly believe that this program deserves to be considered above the fray of partisan politics. I am calling on you today to help craft a solution to the problem we are facing.

"I am a CPA with experience in banking, health care, and the oil and gas industry. I was a small business

owner and have lived in west Texas nearly all my life. Since arriving in Washington, I have been disappointed by the political partisanship that has inhibited a substantive and honest debate on Social Security reform.

"It is time to set aside partisan differences and come to the table to seriously address Social Security reform. We must have an open debate that is free of political rhetoric and emotion and, with your cooperation, we can at least begin that discussion.

"The best way to address this problem is first to agree about the facts:

"Social Security is safe for today's seniors, but is in serious danger for our children and grandchildren.

"Social Security is a pay-as-you-go system with today's workers paying to support today's retirees. In just over a decade, the government will begin to pay out more in Social Security benefits than it collects in payroll taxes, and shortfalls then grow larger with each passing year.

"Without changes, Social Security will be able to pay 100 percent of its current benefits until 2041 when Social Security will be forced to cut benefits by at least 27 percent.

"This is an issue of generational fairness and the preservation of a promise made in 1935 to future generations of retirees. This vital program shouldn't just be safe for those who are over the age of 55, it should be an equitable and viable program for our children and our grandchildren.

"After reviewing the facts, it is clear that the current system cannot be sustained. When looking towards a solution, we all agree on two major points: benefits for individuals ages 55 and older should not change, and that Social Security needs to remain solvent for all future generations. Let's use this as a starting point for discussion that moves us closer to crafting a common sense solution that fixes the problem and does not simply place another Band-Aid over it.

"The Federal Government has collected hard-earned tax dollars from American workers and used them in a system that is on the path to bankruptcy and yields little return. We cannot idly stand by and allow such a looming financial problem to become a crisis. Every year that we wait and do nothing, it will cost the American taxpayer approximately \$600 billion.

"I have six wonderful grandchildren. What kind of a grandfather would I be if I asked them to mortgage their future retirement security on a system that cannot sustain itself? I think the millions of grandparents who make up the membership of AARP would agree with me on this. We must act now.

□ 2130

"Social Security is a contract with ourselves. And that is a contract that we cannot and will not breach. Please, let us not make a partisan issue out of retirement security for our seniors and future generations of retirees.

"I would like to extend an invitation to the four of you that are addressed to discuss all of our options, including permanent solvency and some form of personal retirement accounts in dealing with the future of Social Security. I call on you today to set up a meeting with several of my colleagues to begin discussing these issues. I look forward to working with you."

I would say to my colleague from Georgia (Mr. PRICE), this letter will go out tomorrow to the leadership of AARP. I suspect there are other letters similar to this that have gone to this very influential organization that has millions of members, most of whom we look straight in the eye when we talk about Social Security reform and we tell them in as clear and convincing a voice as we can, fixing Social Security is not about your benefits.

Those promises have been made. We are collectively going to keep those promises. The solutions that we are talking about are about my grandchildren and your grandchildren and making sure that Social Security is in place, that lifetime benefit, that lifetime annuity that protects all of us in our retirement years.

So I thank the gentleman for his leadership tonight and bringing this issue to the table.

Mr. PRICE of Georgia. I thank the gentleman from Texas (Mr. CONAWAY) for his comments. I appreciate that. And that letter really just gets to the heart of the matter. I hope to see that letter in their newsletter. They ought to be sending that kind of information out to their members because, as he said, it really is a disservice when the level of discussion about something so incredibly important sinks to these little games that are played that are not productive and that frankly do a disservice to our Nation and to its citizens. So I thank the gentleman for his participation this evening.

Now I would like to ask the gentlewoman from Virginia (Mrs. DRAKE), another stellar member of the freshman class who is going to join us. She is a Realtor and former State delegate from Virginia. As a former small business owner herself, she is extremely familiar with the positive impact protecting Social Security will have on millions of American families and small businesses. And I yield time to the gentlewoman from Virginia as she consumes.

Mrs. DRAKE. Mr. Speaker, I appreciate the opportunity to be here this evening and to speak to Americans about such an important issue as Social Security.

Mr. Speaker, protecting Social Security for future generations is an investment today's generation can no longer wait to make. My colleagues who I have joined here tonight to speak with on this important issue have very effectively made the case for protecting Social Security. Rather than to repeat their arguments in favor of reform, I would like to address a common argument against what we propose.

One argument about taking on the huge task of saving the Social Security system is what opponents to reform call the "transition cost" associated with the undertaking. They say our program will not make Social Security more solvent. They say it will cost more to reform Social Security than to just leave it alone.

Opponents of reform are right to be concerned about the cost of action. As stewards of the tax dollar, Congress must be fiscally responsible and spend wisely on programs that work. But that is exactly why we need to act now, because the cost of inaction is even greater.

Think about it this way: more Americans own their homes today than ever before in our history. We have all heard this a number of times, and many economists like to use homeownership as a gauge of our society's well-being.

But why? Why is homeownership such a badge of honor? What does it symbolize? Why is such a huge investment and financial liability as a mortgage considered a hallmark of success in this Nation?

It is because ownership brings a sense of fulfillment, a sense of identity and accomplishment. Providing for and protecting your family under a roof you call your own is part of the American Dream because family is at the very heart of our culture.

But buying a home requires an initial, even painful, investment, down payments, closing costs, loans, research, contracts signed, contracts lost, and even more. It requires sacrifice to buy a home. But it is universally recognized as a wise, sound decision to make because of what it yields over time.

As a former Realtor, I know firsthand the benefits and joy of homeownership. And I know what it takes to achieve it, because I have helped thousands of people to do it. I am aware of the cost of buying a home, but the long-run advantages of paying such a high price at the beginning far outweigh the disadvantages.

And, Mr. Speaker, not once in my entire real estate career, which spanned 2 decades, did I ever hear it advised that the transition costs of homeownership outweigh the benefits of buying. And that is how we should think of the transition costs of protecting Social Security, just as we do the down payment on a new home. While the down payment may be high and more expensive than continuing to rent an apartment, the long-term pay-off of owning your own home is monumental.

Mr. Speaker, we can no longer afford to rent the Social Security program from future generations of workers who will either lose massively in benefit cuts or pay dearly through tax hikes if we do nothing. We must make the down payment now or face the consequences of our inaction.

The Social Security trustees, as the gentleman from Texas (Mr. CONAWAY) has pointed out, estimated each year

that we do nothing we add \$600 billion to the cost of reform, reform that everyone agrees is inevitable. Call it what you want. Call it a crisis, a problem, an issue, a concern. Whatever language you use to describe the Social Security situation that America faces, we cannot afford in this time of war and budgetary constraint to add \$600 billion each year. Something must be done, and it must be done today.

But if we do not act, the current Social Security payroll tax of 12.4 percent will have to skyrocket to 18 percent in order to meet the needs of the baby boomer retirees.

As a former small business owner, I can tell you, based on my experience, and at times it was tough, that paying 12.4 percent into a system that will return me 1.6 percent on the dollar was very, very difficult. I cannot imagine trying to own a small business in the future and having to pay an even higher payroll tax. Yet this is what will happen if we do nothing.

If we leave the system alone, small businesses, the Nation's number one job creator, will pay the price. If we do not act, today's average 30-year-old will see a 27 percent decrease in Social Security benefits by the time that she retires.

Can your children get by on almost a third less of what retirees are receiving today?

Do they think it is fair to them to fund the retirement of today's retirees through their payroll taxes, only to be left high and dry when their golden years approach because their leaders did not act?

Would they not prefer to build their own nest egg and pay into a system that gives them real returns on the money for which they work so hard?

And finally, for the very first time, there will be such a thing as a Social Security trust fund. As of now, it does not exist. It never did. Every cent that is paid into Social Security goes straight to Washington, and what is not paid to the current retirees gets spent by Washington. That is the end of the story.

Make no mistake. Today there is no such thing as a Social Security trust fund. But now, for the first time ever, this Republican Congress wants to create one. We seek to implement a savings program that finally ties the taxes paid by an individual to that individual's future benefits.

For the first time, money that you pay into Social Security will belong to you and not to the politicians and bureaucrats in Washington. This is truly an American program. It promises real returns on the money hard-working Americans pay into the system; and it says, the money you have paid is yours to keep and yours to spend on your family.

For the first time, Americans will have some control over their own Social Security. And if today's workers who choose to sign up for personal accounts die prematurely, the money

they divert into their personal accounts does not go away like it does today. It will remain with their family. It will be a true nest egg, an asset that is owned by that worker.

We must add to the retirement security of future generations by allowing them control over their own investment. By permitting people to voluntarily establish personal accounts, we strengthen the control they have over their own financial future.

By reforming Social Security now, we stop the \$600 billion yearly cost of inaction and allow current workers to own their own nest egg.

Mr. Speaker, it is time to act. It is time to put aside partisanship. It is time to work together to solve the problem that Social Security soon will be if we do not act. Let us put aside our differences and vote on a plan that will save Social Security for future generations.

Mr. Speaker and my colleague from Georgia (Mr. PRICE), I think it is very exciting for Americans to have a choice to have an option to have a voluntary personal account, and I am only sorry that I do not personally qualify for that.

Mr. PRICE of Georgia. I thank my colleague from Virginia (Mrs. DRAKE). My goodness, she brought such clarity to this issue in her explanation there, and I really appreciate that. I also have used the analogy of refinancing a home, a home mortgage to kind of bring clarity and focus on what it is that we must do, we must do as a Nation. And so I appreciate her bringing that perspective to us.

I also just was struck as she was talking. You know, the other side seems to think that if we do not do anything, it costs nothing. Well, that could not be further from the truth. So I really appreciate her participation, and I thank her ever so much.

Mr. Speaker, I think what you have seen this evening initially with the discussions of the gentleman from South Carolina (Mr. WILSON) and the gentleman from Texas (Mr. CONAWAY) and the gentlewoman from Virginia (Mrs. DRAKE) on the issue of demographics and on the demand or the need for honesty in this discussion and the concern and the clarity with which the gentlewoman from Virginia (Mrs. DRAKE) talked about these transition costs as they are described, that they are bringing about those principles that I talked about: that it is a promise; that it is important that we make certain that generations are treated fairly; that this ought not be partisan; that there is a nest egg there; and that it is your money. It is America's money. It is not the government's money.

As I was, over the past couple of months, looking into this issue regarding Social Security, I always try to figure out where it all began, where is the fundamental problem, but also what are other folks saying on this. And I came across some interesting quotes I would like to share with you. The first

one, I think, gives a great perspective on the issue of Social Security. I am a child of the 60s; and so when I grew up, President John F. Kennedy, I remember clearly the manner in which he was able to convey his passion to our Nation and to focus our energy. And he recognized back in June 1961, regarding the issue of Social Security, he said, a Nation's strength lies in the well-being of its people. And the Social Security program, remember, this is 1961. The Social Security program plays an important part in providing for families, children, and older persons in time of stress. But it cannot remain static. It cannot remain static. Changes in our population, in our working habits, and in our standard of living require constant revision. Constant revision. It cannot remain static.

Well, what has happened to our program? It has remained static. There have been no fundamental changes to our situation as it relates to Social Security. So I am fond of telling folks that our current situation is a result of demographics, the aging of our society, but also to inertia. There is an inherent inertia in government at all levels to do nothing, that it is easier to ignore a problem than it is to fix a problem. That is not only true at the city council level, where it is easier to keep the collection for garbage on the same days, even though it might work better to do it in a different manner.

But it certainly is true here in Washington where we have big issues like Social Security. It is easier to do nothing. And that is why I am so proud again to serve with a President who understands the importance of tackling this issue head on.

□ 2145

When we think about Social Security, remember the program that President Kennedy said cannot remain static. I had my staff look up what kind of things were going on 70 years ago when the program began. Social Security is 70 years old, 70 years old. There has been a little tinkering but no fundamental changes, and the world has changed significantly.

Seventy years ago we were in the midst of the Great Depression. Seventy years ago FDR was our President. Babe Ruth hit his last three home runs in one game, setting the record at 714 career home runs. Seventy years ago, Elvis Presley was born. A 1935 sedan cost \$495 brand spanking new, and a modern six-room house sold for \$2,800. Seventy years ago, Parker Brothers released the board game Monopoly, nylon was discovered, and the construction of the Hoover Dam was completed. Seventy years ago was a long time ago, and the world has changed, and our population has changed.

I think it is clear that when Social Security began it was a wonderful program. It was first designed for a different generation and for a different America. There are really at least four specific facts that convinced me when I

began looking at this issue that the old system, the current system, is no longer workable for our society and it is no longer secure.

The first is, as the gentleman from South Carolina (Mr. WILSON) mentioned, is that our Nation has matured from the time that men were the majority of the workforce and the life expectancy was about 60 years old. Today, in the majority of households, both men and women are working; and our life expectancy is significantly over 70 years of age. We are living longer and healthier lives, and that trend is only going to increase, and that is very good for all of us. But it is not good for our Social Security system.

We have seen this demographic before. This gets to the issue of the second thing that convinced me that we have got to modify and reform the system, and that is the issue of the workers. We are in a pay-as-you-go system, which means that today's workers pay for today's retirees. And when the system began in 1935 or 1937, there were 41 workers for every retiree. In 1950, there were 16 workers paying in for every beneficiary, every retiree. Today, there are 3.3 workers for every beneficiary or retiree; and in a very short period of time there will be two workers for every retiree. That is the system that cannot sustain itself. We are on an unsustainable course.

The third issue that led me to believe and understand and appreciate that we have got to reform the system is what I call the 2008 phenomenon. 2008, what happens in 2008? Well, this graph you may have seen. In the year 2008, these are the surpluses. This is the amount of money coming into the Social Security system. In 2008, the surpluses peak, the surpluses peak and begin to decrease. And at the same time the baby boomers begin to retire. That large group of individuals in our population, me being one of them, in 2008 they begin to retire.

The baby boomers started in 1946. The average age of retirement is 62. You take 1946, you add 62 to it, 2008 and they begin to retire. 2008 is not a long way off. It is right around the corner.

Finally, fourth, if you think about the system that we have had in place for Social Security, again it is a pay-as-you-go system, so the current workers pay for the current retirees. When there were lots of workers, there was more money in the pool for retirees. But what has happened? What has happened when we get down to that area where we have got 3.3 workers and then soon 2 workers for every retiree, the amount of money that is being returned is, frankly, an embarrassment.

When the system started, people got much more money than they put into the system. Now it takes years and years for individuals to get the amount of money back that they just put into the system. In fact, most individuals are getting less than 2 percent return on the money that they put into Social

Security. Less than 2 percent. That is not a nest egg. That is not secure. That is not enough to retire with security.

There was an article that came out today that I think brings clarity to that, and it is by Stuart Butler, who is a renowned and noted economist, Vice President for Domestic and Economic Policies at the Heritage Foundation. And let me just share with you a couple of paragraphs from this article. It was entitled, "The Social Security Crisis Gets Personal."

In this article dated today, April 12, 2005, he stated that, "As the Social Security system itself has aged, payroll taxes have grown relentlessly and the return on those taxes has fallen dramatically. When Social Security began the payroll tax was just 2 percent of income. Now it is 12.4 percent. Today, the average male worker about to retire will typically get just 1.27 percent return on his lifetime of taxes, less than he would get from a savings account. That is bad enough, but the younger you are the worse it will get. A 25-year-old worker can expect a return of minus .647 percent." He loses money.

Here is the kicker right here. "Imagine what Congress would say if a private company was taking in billions of dollars from millions of hard working Americans and then giving them back less money in retirement." Well, you can imagine what Congress would say.

So we have got more retirees, fewer workers, and less money. All of these facts, and facts are the same regardless of whether you are a Republican or a Democrat, all of these facts do not paint a pretty picture.

It is incumbent upon us here in Congress to put the security back in Social Security. There was a time when our friends on the other side of the aisle agreed, and we did a little work and came up with some quotes from individuals. These are actual quotes, actual statements from some very prominent individuals on the other side of the aisle when they appreciated or they admitted that they have appreciated that there was indeed a problem in Social Security.

This is a quote from President Clinton in February of 1997, 8 years ago, February of 1997. "For the long-term health of our society, we must agree to a bipartisan process to preserve Social Security and reform Medicare for the long run so that these fundamental programs will be as strong for our children as they are for our parents." Clearly identifying one of the principles I spoke about.

Here is a quote from President Clinton in February of 1998. "So that all of these achievements, the economic achievements, our increasing social coherence and cohesion, our increasing efforts to reduce poverty among our youngest children, all of them, all of them are threatened by the looming fiscal crisis in Social Security."

Now there has been some discussion about whether or not we have a crisis or a problem or it is a challenge. This

is 1998, 1998, President Clinton saying, "threatened by the looming fiscal crisis in Social Security." Clearly, President Clinton understood the issue at that time.

Here is a quote from the late Senator Daniel Patrick Moynihan in March of 1998, talking about the issue of Social Security and investment, these personal retirement accounts, voluntary personal retirement accounts. "Young people, especially, have lost faith." He is talking about the Social Security system. "They wonder why they cannot take care of their own retirements with stock and bond investments, rather than trusting a system that either is headed for bankruptcy or will provide paltry or negative returns on their contributions." Another august individual from the other side of the aisle who certainly appreciated the problem.

And then Senator HARRY REID. He is now the Minority Leader in the United States Senate. In February of 1999, he said, "Most of us have no problem with taking a small amount of the Social Security proceeds and putting it into the private sector," these voluntary personal retirement accounts that we have been talking about.

They recognized the issue. If they recognized the issue in 1997 and 1998 and 1999, what is the solution? What is the solution that they have put on the table? What are they offering to this remarkable challenge that we have as a Nation?

Well, a little earlier I talked about the initial impressions that I have had in my freshman term here in Congress, and one of the things that may not surprise anyone is the remarkable level of partisanship. Remember I talked about the need for this to be a nonpartisan issue, but the incredible level of partisanship and nowhere is it more clear than on the issue of Social Security. The Social Security problem is clearly defined, and there is a clear recognition by both Democrats and Republicans as demonstrated here that we need to fix the system. Yet where is the plan from the other side of the aisle? What is the plan that they have on the table?

Well, we searched and we searched and we searched and we searched. And this is the plan that we have come up with. This is the plan that the other side of the aisle in this incredibly important issue, in an issue that will impact every single American, this is the plan that they have on the table.

Just say no. Just criticize. It is politics as usual. It does such a huge disservice to us as a Nation and to every one of their citizens. So we should act now. There is no doubt about it. We should act now.

The Social Security trustees, the Comptroller General of the United States, Chairman of the Federal Reserve Board all agree that the sooner we address the problem, the smaller and less abrupt the changes will be for individuals and their families.

One of the individuals who works in my office just this past week got her

Social Security statement, her Social Security statement that each of us get each year, and I was reading through the text of what everybody receives from the Social Security administration about their Social Security. And it clearly says and I urge every American to read the fine print when this comes to your home. It says from the Social Security Administration, "Unless action is taken soon to strengthen Social Security, in just 14 years we will begin paying more in benefits than we collect in taxes. Without changes, by 2042 the Social Security trust fund will be exhausted. By then the number of Americans 65 or older is expected to have doubled. There will not be enough younger people working to pay all of the benefits owed to those who are retiring."

This is not an opinion by anybody on my side of the aisle or the other side of the aisle. This is the Social Security administration who is looking at the numbers, seeing what kind of revenue is coming in and what is going to happen and warning each and every one of us, further, that there will be enough money to pay only about 73 cents for each dollar of scheduled benefits.

So I had the plan from the other side of the aisle. This is their plan. If you wanted to put a face on it, if you wanted to draw it on a graph, that plan is this graph. What this says is that we go along and go along and go along just as we are doing now until we get to that date, 2041, when the bottom falls out of the system and individuals are only able to receive 73 or 74 percent, which is a 26 or 27 percent cut in benefits.

I promise you that that is not acceptable. It certainly is not acceptable to me. It is not acceptable to our side of the aisle, and I do not believe it is acceptable to the American people. So it is a promise. This issue ought to be nonpartisan. We ought to get together, and I urge my colleagues to do so. There needs to be generational fairness so that younger individuals have faith that some of the money certainly that they have put into the system will be able to grow and be able to provide for their nest egg.

Finally, it is your money. It is Americans' money. It is not the government's money. It is your money. These ought to be our principles, and we should focus on the facts, study the issue and alternatives that are available to us, vigorously debate, both sides of the aisle vigorously debate and then act. It is imperative that we move forward with this because, as we have heard, every year we delay costs this Nation, costs the American public, costs you \$600 billion.

Social Security is a system that has worked for decades and for generations, but the current system is outdated and does not meet the needs of the American people. It is not secure.

We have a wonderful opportunity right now. Right now, imagine the peace of mind that you would have knowing that the contributions that

you make each month into Social Security will result in a nest egg for your retirement that you own and that no one can take away. That is my vision and that is my dream and I hope that you share that.

□ 2200

In closing, Mr. Speaker, I urge my colleagues and I ask my colleagues to take the time now, take this time now and let us get to work. We all look forward to the discussion that is coming about on this issue, but I am hopeful that we will remember those principles, that it is a promise and ought not to be partisan and to keep in mind every single generation and be fair to them. Remember that nest egg that must be maintained for security and that it is American's money, it is not the government's money. If we do not act now, that would be the height of irresponsibility, as with saying that there is no problem or that little needs to be done.

So I urge this House, I urge the Senate and I urge the President to work together and I congratulate the President for bringing this issue forward to find a responsible and a secure solution.

#### HONORING THE LIFE OF FORMER CONGRESSMAN WILLIAM LEHMAN

The SPEAKER pro tempore (Mr. FORTENBERRY). Under the Speaker's announced policy of January 4, 2005, the gentleman from Florida (Mr. MEEK) is recognized for 60 minutes.

Mr. MEEK of Florida. Mr. Speaker, I would like to thank the Members of the House and also the Democratic leader for allowing me to have this time tonight.

#### GENERAL LEAVE

Mr. MEEK of Florida. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the life of Congressman Bill Lehman, the subject of my Special Order this evening.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. MEEK of Florida. Mr. Speaker, a few weeks ago, a great man who served in this House for 20 years went on to glory. On March 16, 2005, former U.S. Congressman Bill Lehman passed away peacefully in the presence of his family and a few close friends in Miami, Florida. He was ninety-one years old, and for 20 of those years he served in this great institution, the U.S. House of Representatives.

We are here this evening to pay tribute to Congressman Bill Lehman who served with great dignity and integrity, who the Miami Herald described as a "legendary figure in south Florida politics considered a visionary on racial issues and public transit."

Only three people have ever served in the 17th Congressional District of Florida, former Congressman Bill Lehman,