

may hope that a magic wand miraculously rescues the current system from future bankruptcy, the reality is that Congress and the President must work together now, make necessary reforms, and save Social Security. That is what we were elected to do—make decisions and implement policies that help Americans now and in the future. To not do so is frankly irresponsible.

My Democratic colleagues argue that we don't need to do anything to reform Social Security. Many suggest that the magic elixir for Social Security is repealing the sensible tax cuts Congress and the President signed into law over the past four years and stashing the money in the Social Security Trust Fund. Tax increases will not rescue Social Security. This approach, which they have used to fund every one of their policy proposals, will restrain the economic growth we have experienced over the past several years. Since the Republican Congress passed the 2001 Jobs and Growth Tax Relief Act, the U.S. economy has rebounded, millions of new jobs have been created, and business investment is the best it's been in seven years. Repealing these tax cuts will hurt the U.S. economy and in turn, do nothing to save Social Security.

I urge my colleagues on both sides of the aisle to put every idea and all the options on the table so we can begin to examine how to preserve and protect Social Security for today's seniors and future beneficiaries.

□ 1945

HONORING THE BOY SCOUTS OF AMERICA

The SPEAKER pro tempore (Mr. BOUSTANY). Under a previous order of the House, the gentleman from Pennsylvania (Mr. FITZPATRICK) is recognized for 5 minutes.

Mr. FITZPATRICK of Pennsylvania. Mr. Speaker, I rise in support of H. Con. Res. 6, which is on the agenda of the United States House of Representatives today, expressing the support of the United States Congress for the Boy Scouts of America.

Mr. Speaker, I also rise as a lifetime Scouter and a very proud Eagle Scout. As a matter of fact, this week marks the 95th anniversary of the incorporation of the Boy Scouts of America. It was February, 1910 that the Boy Scouts of America were incorporated in New York. They stood for a set of values. They stood for something. They stood on a set of principles, teaching young men to be trustworthy, loyal, helpful and friendly.

If you think about it, there are not many organizations around today who were around 95 years ago that stand for the same things today that they stood for back at the time of their inception, back at the time of their incorporation, teaching young men to be courteous, kind, obedient, cheerful, thrifty, brave, clean and reverent to God. That is what the Boy Scouts of America stand for. It is what they have always stood for.

The Department of Defense, the United States military, have always been encouraged by the United States

Congress. Of course, the Congress provides one of the very few congressional charters to the Boy Scouts of America. The Congress has always supported the Boy Scouts.

They have always encouraged the Department of Defense to support the Boy Scouts of America, as well. As a matter of fact, this coming year, the Boy Scouts will hold a quadrennial national jamboree at Fort A.P. Hill in Virginia, not too far from the Nation's Capital.

This resolution encourages the Department of Defense to continue support of the Boy Scouts of America. I believe it is the sense of Congress and also the sense of the citizens of the United States of America that we continue to support the Boy Scouts.

30-SOMETHING DEMOCRATS

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

Mr. MEEK of Florida. Mr. Speaker, it is always an honor to come before the House and also the American people in this great democracy of ours to address issues that are facing our Nation right now.

I must say that earlier today we had an opportunity, the Democratic Caucus meeting and afterwards, having comments with not only the media, but other members of our caucus about the needs of Social Security.

It is important that we make sure that Social Security is secured for years to come. We know that a number of Americans count on and look forward to Social Security being a part of their lives not only in retirement, but also in their everyday lives. We have 48 million Americans that are involved in Social Security right now, and they are not all retired. Many of them are in school. Many of them are middle-aged individuals.

Tonight we are going to have a number of Members from the 30-Something Working Group, which I must add, Mr. Speaker, started in the last Congress, in the 108th Congress. I cochair that working group with the gentleman from Ohio (Mr. RYAN), and we are going to have a number of Members who are very, very concerned about the principles that not only the President but the majority side have put together as the way to save Social Security.

I will be sharing a few of my comments along the way, but I want to make sure that my colleagues have enough time to share their concerns about what is happening, and the lack thereof that should happen, to make sure that Social Security is not only here for those that are enrolled now, but those that will be enrolled in the future.

We know that every American participates in the Social Security program. We also know the average benefit of the person receiving Social Se-

curity now is \$955 a month. I think it is important that we pay very close attention.

Now, here in this Chamber last week, and I would say, around this time, the President came into a joint session of the Congress on the State of the Union and said that Americans over the age of 55 do not have to worry about the changes that he would like to make to the Social Security plan.

I must say that that brought amounts of concern throughout the country not only with me and Members of Congress on both sides of the aisle, but many Americans. It was almost saying that if you are 55, do not worry about it; if you are under 55, trust us. And I can tell you that when we start dealing with generational Social Security, or one generation against the other, I think that is very dangerous. Social Security was never designed to deal with one segment of the population, giving them certain benefits, and another segment, not giving them benefits.

But I just want to mention a few guiding principles that we should think about here tonight. Number one, we should try to make sure that we have a Social Security plan, that we are not borrowing from the Social Security trust fund. The Social Security trust fund is there to make sure that when we have a rainy day, or when we have a shortfall, we are able to go to that trust fund.

What the President and the majority side are proposing now, they are saying that we are going to help save Social Security, but at the same time we are going to take us \$2 trillion more into debt over the next 10 years. There has to be a better way to make sure that we deal with the Social Security issue.

Social Security is not at a crisis point. I have heard many Members, through press clips and press accounts and even here on this floor, say that there is a crisis, that there is a fire, that Social Security is going bankrupt, it is going belly up. That is not true. And I hope that through a bipartisan debate and a bipartisan plan, and I am not talking about one or two members of the Republican Caucus, I am talking about this entire Congress because we all have Social Security recipients that are our constituents that are counting on us to be able to make sure that Social Security is solvent for many years.

Mr. Speaker, I will suspend on my comments right now, but I have my co-chair here, the gentleman from Ohio (Mr. RYAN). He is a distinguished member in his own right.

We have the privilege of serving on the Committee on Armed Services together and even on the same subcommittee. It has been indeed a pleasure working with him. He is also on the Committee on Education and the Workforce and Committee on Veterans' Affairs. And he is a well-studied gentleman that I hold in high regard.

Earlier today I was talking with the gentleman about what we share with

not only the American people, but also with our colleagues, that this Social Security issue is so important that we are willing to take the debate not only here on this floor, but also take the debate out to America.

Mr. RYAN of Ohio. Mr. Speaker, it is good to be back with the 30-Something hour. I think it has never been more crucial to our generation than the debate that we are having here on Social Security.

Let me first say, before I get into the Social Security debate, that I believe that Social Security is just one of the major issues that this Congress is facing and one of the main issues that our generation is facing. But while this debate is going on and while you watch the news and we are talking about Social Security or we are talking about the war in Iraq, the President has submitted his budget to Congress. And if you want to talk about generational fairness, like our good friends who were here earlier in the first special order hour, talking about generational fairness, just look at the budget that was submitted to this Congress if you want to talk about generational fairness.

We are going to increase the Pell grant by \$100 a year for 5 years when tuitions all over the country have doubled over the past 4 or 5 years. That is not generational fairness. Cutting food stamps, which primarily go to children, is not generational fairness. Cutting Medicaid, which goes to poor children, is not generational fairness.

So we can have this debate, we can bring our talking points here and march the party line and say exactly what we are told to say when we come to the floor and when we go on the talk shows; and you can hear it over and over.

Our colleagues on the other side are good, not always accurate, but good. But when you hear generational fairness, think about cuts to Medicaid, think about cuts to food stamp programs, think about the miserly increase in the Pell grant program, \$100 a year.

I think if we wanted to make young people a priority in the Congress of the United States, we would increase Pell grant more than \$100 a year if we wanted to be fair to every generation. So while this debate is going on here with Social Security, there is this other thing happening with the budget, and I urge our friends at home to pay close attention to what is happening.

One of the gentlemen over there said that it has been 70 years since Social Security; 70 years ago Elvis was born, 70 years ago, which was my favorite, the Great Depression was here. And I thought that was kind of funny because here we are having a debate about putting the Social Security system into the stock market, and one of our colleagues is quoting how much the world has changed since the Great Depression.

Well, I am sorry, but if you had your money in the stock market, you had

your Social Security in the stock market and we had another Great Depression, there would be a lot of issues that we would need to talk about. But before we get into the Social Security, I want to kind of lay a little bit of a foundation on how this whole thing works and what the generalities are of the President's proposal, because we do not know all the facts just yet.

What is happening here is, in order to run the Social Security system, the worker puts in a little over 6 percent of their wages and the employer matches that 6.2 percent, and it goes into the Social Security trust fund.

Now, what the President is saying he wants to do is for the worker to take that portion, and that portion of the 6.2 that the worker puts in is debatable as to what that side is agreeing on should happen, but they all agree that they want to put a portion of that 6.2 percent into the side private accounts that would go into the stock market.

I think on the face of it, when you hear it and you are 20, 25, 30, 35, 40 years old, it sounds like a good idea. Here is the problem we face when you do that: The money that you would normally be putting into the Social Security system, your 6.2 percent that you are now diverting over into a private account, that means that your money you are normally putting in is not going into the Social Security system for your parents or your grandparents. In other words, the system will not have the money in it to handle. So the number that is floating around just for the transition cost to go from the system we have now to the personal accounts system is \$2 trillion.

Now, we are already running a \$500 billion deficit this year. So we are going out and borrowing money and paying interest on it because we are spending money we do not have. Now we are saying that if we implement this Social Security program, you will have, the government will have to go out and borrow at least \$2 trillion, with a "t", \$2 trillion, from China and Japan which is where we are borrowing our money from now to fund the \$500 billion. We have to go out to China and Japan and get another \$2 trillion and pay interest on that.

You are going to have a tax increase because we are going to have to borrow \$2 trillion in addition to the \$500 billion that we are already running with our deficit this year. So there will be a tax increase in order to fund this system, the transition costs, and that is if the numbers are right, if the \$2 trillion numbers are right.

Now, we know that before with the war we were told weapons of mass destruction, we were told we would be greeted as liberators, we were told that we would use the oil money for reconstruction. It will not cost the taxpayer any money. That never happened. We are \$300 billion into this.

Then, with the prescription drugs, we were told it was only going to be \$400 billion; then 2 months later it was \$550

billion. Then we find out today \$1.2 trillion is the real number.

□ 2000

So we do not even know if \$2 trillion is the real number to do the transition costs of the system. We are borrowing money, \$2 trillion, increasing taxes; and that is not enough to keep the system going.

There will also be a 40 percent benefit cut because all this money is starting to go. I am 31. If I stop putting my money in, that is less going in. My mother will have a benefit cut or people in my mom's generation will have a benefit cut of 45 to 50 percent because of that money that is not going in.

I am getting my taxes raised; we are borrowing money from China and Japan. Our benefits will be cut for my mom and her generation and my grandparents and their generation.

In addition to that, if this is not enough to convince my colleagues this is a bad proposal, the investors on Wall Street that are running your personal account, they are not going to do it for charity. They are not going to do it for free. They are going to charge, and what they charge in Chile where they have a system just like this is 20 percent.

So any benefit you may get in your personal account will be eaten up by a tax increase, by benefit cuts, and by the user fee that you are going to have to pay to the investor who is going to invest your money, all the while risking the greatest social insurance program in the history of the country.

Mr. MEEK of Florida. Mr. Speaker, I thank the gentleman very much, and I just want to say I think that he said something that was very important.

If the \$2 trillion number is not right, because as my colleagues know, under this Medicare prescription drug benefit that the administration put forth in the last Congress, we were told one number and that was wrong, and then it was revealed that the numbers were suppressed and the actual number is higher. Just today, looking at the news reports, that number is even higher, and so as these mistakes are made, future generations and even the present generation is put at risk financially.

I can tell my colleagues one thing that is fact. We do know who will benefit from this privatization scheme, which is \$940 billion, Wall Street, to put these public dollars in open water, to gamble.

The other issue that I thought the gentleman really laid out was the fact there are no guarantees that the benefit level will stay where it is now. Matter of fact, we are pretty much guaranteed that benefits will be cut, even for those who do not take part in the privatization accounts, and so I think it is important for us to continue to share that with the American people.

Once again, I just want to say that Social Security is going to be solvent for another 47 years; and also, we have

48 million Americans that are now recipients of Social Security, and it has a lot to do with local economies, a lot of our disabled and very frail individuals. This is what they count on as a source of income.

I must add that we still do not have a Social Security plan. We are just talking about principles now, guiding principles; but one thing that the gentlewoman from California (Ms. PELOSI), the minority leader, shared not only with the Nation but shared with many of us here, Democratic guiding principles to make sure that we do not increase the deficit in any Democratic plan that is put forth, a plan that does not send us further into debt; that every dollar will be paid for and not borrowed that will continue to make the problem worse.

Mr. RYAN of Ohio. Mr. Speaker, if the gentleman would yield, this is really the first thing that we need to do. No matter whether we are talking about Social Security or the budget or whatever, first thing we need to do in this country is plug the hole, balance the budget immediately, and stop borrowing money from Japan and China, now. We need to do this immediately.

Mr. MEEK of Florida. Mr. Speaker, we also have one of our colleagues, matter of fact, one of our classmates that came in with us, the gentleman from Georgia (Mr. SCOTT), who is past rules chairman in the Georgia senate and now serves here in the Congress on the Committee on Agriculture and also on the Committee on Financial Services. He is going to be sharing some words with us on Social Security, and it is always a pleasure working with him and being with him, and we look forward to his comments.

Mr. SCOTT of Georgia. Mr. Speaker, I thank the gentleman very much, my distinguished colleague from Florida (Mr. MEEK) for yielding.

I certainly want to congratulate him and of course my distinguished colleague from Ohio; and we are at a crossroads in America, and we need to pay very, very close attention to what is happening.

I want to talk for just a few moments some plain, kitchen-table talk because these are kitchen-table issues. These are issues of substance. It is how your tax dollars are being spent with the budget. It is also how we are going about to fix the most effective, most meaningful government program that has ever been created in Social Security; and when I get to the Social Security part, I want to stress an emphasis on young people and African Americans because there have been some very significant misleading statements and bad information that is being put out.

First, let me just say a few words, if I may, on this budget, because it is very, very problematic.

First, the Draconian cuts in discretionary spending do not reduce the deficit. In fact, the deficit continues as far as the eye can see. This budget is not

honest because it omits many important priorities, thus negating President Bush's promise to cut the deficit in half by 2009.

Further, this budget has the audacity to raise taxes on our veterans. As Shakespeare's Julius Caesar said to Brutus, "Et tu Brutus, yours is the meanest cut of all." I am here to say, in this budget, the meanest cut is to our veterans, when we need to be doing more for our veterans, not less, and certainly not raising taxes on our veterans, as this budget does.

Veterans, wake up. I have got so many veterans in my district down in Atlanta, Georgia. I just spoke to the American Legion in Jonesboro, Georgia, and they said, David, you have got to do more for the veterans, and I said we would.

Then I come back here and see that this budget that President Bush has submitted raises the taxes on our veterans, and then this budget also hurts our farmers by cutting back on badly needed farm programs. Our veterans, our farmers, no two groups of people stand for what is right and good about this country more than our veterans and our farmers. That is how we got started, with our farmers; and that is how we sustain and grow our freedom in America and around the world for the price that our veterans paid.

This budget is not balanced. In fact, this budget creates a new record deficit of \$427 billion for fiscal year 2006. This administration's budget continues a record of deficits and rising debt over the last 4 years. For the third year, the administration's budget creates a new record deficit, while offering no plan to restore the budget to balance.

The \$5.6 trillion 10-year surplus inherited by this administration from the Clinton administration, which should have been used to strengthen Social Security, instead has been used and squandered and replaced by a deficit of \$4 trillion over the same period from 2002 to 2011.

One goal of the deficit reduction accomplished during the Clinton administration was to save for the retirement of the baby boomers. We have had our eye on this problem for a long time. This is not just a problem coming and all of the sudden this administration finds that it has all the wonders in the world. We Democrats have been grappling with this problem of Social Security and the baby boomer generation coming for a long time, but we vowed that we will solve the Social Security problem without cutting benefits and without raising taxes and without robbing the Social Security trust fund of \$2 trillion to set up private accounts.

Instead, this administration has run up mountains of new debt which just passes the bill for today's policy choices on to our children and our grandchildren.

Under the administration's policies, the annual burden of the Federal debt on the typical American family will

more than double over the next 10 years, with each family's share of the Federal interest payments on the debt rising from just over \$2,000 per year to around \$5,000 per year. This is not the kind of legacy we should be leaving to our future, to our children. This debt transfer is essentially a birth tax.

This budget is not honest. Several of the President's top priorities are omitted from this budget. What surprises me is that these projects that he is omitting from his budget this week were signature points in his State of the Union speech last week. These omitted policies, including debt service, add \$2 trillion to the 10-year deficit.

Not included in this budget are transition costs for privatizing Social Security. If we are going to privatize Social Security and set up the account, we have got to have \$2 trillion. Where is that in the budget? How is the President going to pay for it?

By delaying the start of the President's new Social Security plan until 2009 and then phasing in over 3 years, the budget manages to avoid showing most of the costs, but they are going to be substantial. Social Security actuaries have estimated that the cost would be about \$750 billion over the 2009 to 2015 period alone.

Also not included in the budget are funds for the operations in Iraq and Afghanistan. Listen, we are at war. We have got our troops over there. We asked for \$81 billion for them. It is not even in this budget. I ask my colleagues, is that responsible? Just think, the additional \$81 billion being asked for this year for our soldiers, for their armor and for the military are not even in this budget; and according to the Congressional Budget Office, costs for operations in Iraq and Afghanistan could run as high as \$400 billion more than the budget includes.

Another thing, the alternative minimum tax which protects middle-income taxpayers is not in the budget, \$640 billion.

Then the veterans, my heart goes out for our veterans. They will not be able to even go into a hospital without first of all paying a fee of \$250. This budget imposes a \$250 annual enrollment fee for veterans without service-connected disabilities who also have incomes above the VA means-tested levels, and the budget also increases pharmacy copayments for our veterans from \$7 to \$15, over 100 percent. Veterans, wake up. Get on the phone and call your Congressman and see what they are doing to our veterans in this budget.

Both of these veterans taxes were proposed in the last two budgets; but we in Congress rejected them and I assure my colleagues, under Democratic leadership we will reject them again this year.

This Federal budget should be an honest blueprint for the spending priorities of the government. However, this budget is not honest. It is passing our

obligations, responsibilities, and challenges to our children and grandchildren; and that is immoral. Let us stand up for the honesty and goodness of our Nation and reject this budget.

I want to talk for just a moment on the Social Security; but as we can see, it is very difficult for us to even before we get to the Social Security, we have got to explain to the American people what is happening with this budget and the unmerciful cuts.

Despite what the President claimed in his State of the Union speech, his proposal to privatize Social Security hurts everyone. His plan will cut guaranteed Social Security benefits by more than 40 percent in the coming decades, risky private accounts which will cut retirement, disability and survivor benefits of millions of Americans and will not help Social Security; but it will begin the process of dismantling it.

□ 2015

And somewhere I really believe that that might be the intention.

Social Security needs a solid source of funding, not a plan that makes the problem worse by draining \$2 trillion away from this important program and forces Americans to borrow millions of dollars from foreign governments, as my friend from Ohio pointed out. Why do we want to mortgage this country to China, to India, to Japan, to Saudi Arabia? Because all of our debt is being handled by them; 90 percent of our new debt is in the hands of foreign governments. And just the interest alone that we are paying them is more than what we in our own country pay for national security.

America, wake up. Social Security needs a solid source of funding and not a plan that will make it worse. This President insists he is undertaking this drastic dismantling of Social Security for the good of our young people. Well, young people, I want you to listen to me tonight. And if you know any others, please get other young people on the phone. Go to the phone and call them and get them to listen to this debate tonight.

The gentlemen from Georgia, Ohio, and Florida want to set the record straight for our young people, because this administration wants Americans to believe that private accounts are a great deal for those under age 55. The President is wrong. Privatizing Social Security not only does not help, it is a hindrance to the financial security of young people, for several reasons:

First, these private accounts, young people, listen to me, these private accounts will not be monies that will be handed to you so that you will be free to invest however you see fit. There will be a few plans chosen for you and handled for you, plans that are complex, have restrictions and liabilities on them. And then there is the annuity issue that needs to be addressed.

Again, I hope that most young Americans will begin to think about how

their lives would change if their parents did not have Social Security on which to depend. In fact, without Social Security, their parents would likely have to rely on them for a portion of their income. And caring for aging parents is difficult enough for adult children without the added burden of having to replace income from promised Social Security benefits which were lost through the President.

Young people must realize that the problems inherent in privatizing Social Security are there, and they must reject them.

Now, finally, I must say how disappointed and how disturbed I was when President Bush said this. He said since black men die sooner than whites, Social Security is a bad deal for them, and that private accounts is a good deal for them. Now, I like President Bush personally, and I assume he is a decent man. I have to assume also that he must be getting some very bad information.

I agree with columnist Paul Krugman, who noted recently that President Bush has blatantly manipulated the facts and made false assertions all in the hope of convincing African Americans that this is a good deal for them. The claim that black people get a bad deal from Social Security because of a shorter life expectancy is wrong. And Mr. Bush's use of this false argument is doubly shameful because he is exploiting the high childhood mortality rate and the high black youth mortality rate to promote his privatization plan instead of trying to remove the deep inequities that remain and that black people face in our society every day.

Blacks' low life expectancy is largely due to high death rates in childhood and young adulthood. It is because of the lack of health insurance and other health disparities. What the President is talking about is like cutting your legs out from under you and then condemning you for being a cripple.

What really is shameful about Mr. Bush's exploitation of this disparity is that it is taken for granted. The persistent gap in life expectancy between African Americans and whites is but one measure of the deep inequalities that remain in our society, including highly unequal access to quality health care. We ought to be trying to diminish that gap, especially given the fact that black infants die three times more often than whites.

In conclusion, my colleagues, let me just say that the President is wrong on this Social Security issue and the private accounts. We have a problem with Social Security, but that problem must be solved in a way that stands for what is good and what is right in America. And what is good and right in America is that we protect and strengthen Social Security. And you do not do it with the private accounts.

Mr. MEEK of Florida. Mr. Speaker, I thank my colleague, the gentleman from Georgia (Mr. SCOTT), and I can

tell him that I concur with many of his comments. It was a thoughtful presentation.

And just to reinforce, the trust fund has \$1.7 trillion in reserves and will provide full benefits for the next 50 years, and even 80 percent of the present benefits we have now beyond that. So to say there is a crisis and that the sky is going to fall tomorrow is just totally inaccurate.

Mr. SCOTT of Georgia. Absolutely.

Mr. Speaker, the gentleman is correct, and it is very important for the people to know that we have a surplus in Social Security as we speak today. And the only reason we will be having a problem is because we folks have borrowed from Social Security to pay other bills. And we have had IOUs, which are Treasury bonds, but they are good all the way up through 2052. And then beyond that, of course, we will even be able to pay 80 percent of it.

But I think this kind of system with the President is that you create as much of a crisis as you can. But I do not think the American people will be fooled on this one, as they were with the crisis over the weapons of mass destruction.

Mr. MEEK of Florida. Mr. Speaker, I do not believe so either.

Mr. Speaker, I am joined by one of our very fine new colleagues from Florida. We represent neighboring districts, and we served together in the State legislature and now she is here in the Congress serving on the Committee on Financial Services, the gentlewoman from Florida (Ms. WASSERMAN SCHULTZ).

Ms. WASSERMAN SCHULTZ. Mr. Speaker, I thank my colleague so much, and I have to say that it is a tremendous pleasure to join my 30-something colleagues, my colleague from Florida and the gentleman from Ohio (Mr. RYAN). I am glad to see the ranks of the 30-somethings are expanding, especially on our side of the gender balance. No offense to my colleague. It is especially exciting that I can rejoin the Meek-Wasserman Schultz tag team that we enjoyed in the Florida legislature.

I am so glad my colleagues have been spending some time this evening talking about the significant disparities between the President's proposal and the crisis, the so-called crisis, it seeks to address and the facts. So I would like to spend a few minutes separating fact from fiction and maybe boil this down to some simple terms. Because often in Washington we talk about trillions of dollars, which is really an unfathomable amount of money. It is so hard for anyone to think about what \$1 trillion means, never mind several trillion. So I want to spend a little time about what this means to real people.

Clearly, the President's proposal makes Social Security weaker, not stronger. It does nothing, as the gentleman laid out, to resolve the funding challenges that currently face the system. The President's plan costs nearly

\$2 trillion to implement in the first 10 years alone and several trillion more dollars each decade after that. And his privatization proposal bankrupts the entire system faster than it would, that is the term he used, which was an inappropriate term, but it literally bankrupts the system in only 15 to 20 years. And as my colleague stated, without doing anything, which no one here is advocating, we have another 50 years to go and we can still pay 80 percent of the benefits.

There is a funding gap. We all agree with that. And we have to address that funding gap. But it does not have to be closed by reducing or cutting benefits. That is a totally inappropriate solution.

The real crisis here is not in Social Security; the real crisis is the poor management of the Federal budget. That is the bottom line. We have someone here who has been mishandling the direction of the Federal budget, and it needs to be fixed.

When I see a problem in my household budget, what my husband and I do is, we make sure that we do not give that problem an overdose of medicine. When we address a problem with our budget, we address it in a way that is proportionate to the size of the problem. We give the problem not an overdose of medicine, but we give the problem an aspirin. And that is the difference here.

We saw earlier this week that the President's budget does not even cover the cost of any Social Security reform. This is despite the fact that extending the tax cuts permanently costs five times more than fixing Social Security for you, for me, for our children, and for their children. If we rolled back the President's tax breaks for just the wealthiest 1 percent, it would cover most of the funding gap right there, most of the funding gap just by the wealthiest 1 percent of Americans, rolling back their tax cut and not making it permanent.

Of course, the Bush administration today eliminated any discussion of limiting tax breaks for the wealthiest 1 percent of Americans or anyone else just to ensure Social Security's solvency.

The bottom line is that privatized accounts put Americans' hard-earned retirement savings at the whims of the stock market. I do not know too many people out there that have had a tremendous amount of confidence in the stock market these days so that they would trust their entire retirement future and the security of that to the whims of the stock market.

Mr. RYAN of Ohio. Mr. Speaker, if the gentlewoman will yield, I think that is a tremendous point that we have overlooked, and that is why we get an hour to do this, to make all our points.

This benefit that we have now is guaranteed. It is inflation adjusted and guaranteed. No matter what, you get your benefit. I think what the gentle-

woman from Florida is saying, what happens if in 2000 or 2001, when you open up your 401(k) one day, it is cut in half and you were planning on retiring and it takes another 10 years to get back to where you once were, all this risk for no real gain overall?

Mr. Speaker, I yield back to the gentlewoman.

Ms. WASSERMAN SCHULTZ. I thank my colleague, Mr. Speaker.

Another important point, and why the three of us are here tonight highlighting this, is because our generation needs to understand the President has laid out a rosy scenario under his proposal that simply does not exist. No group of Americans has more reason to fight the privatization of Social Security than young Americans and young workers and their families. The President's proposal cuts benefits, it pulls the rug out from underneath our retirement security, and it adds trillions to the debt.

Privatization will ultimately result in a crisis that means millions of young people will basically be forced to work into their 70s, when right now, under the current system, they could retire far earlier with a guaranteed benefit. And they would have to ultimately pay higher income taxes for the rest of their lives.

I want to talk just briefly about the simple terms that I described earlier. This is how the President's proposal hurts everyone. The costs of privatization clearly explode the national debt. Most Americans understand what happens when you run up your credit card bill and do not pay it off. It is impossible to get out from under that debt, never mind trying to get a bank loan based on the credit you have, because your credit is gone.

That is exactly what the President is doing here, essentially. He is using up America's credit, yours, mine, our children's, even our grandchildren's to fund a radical and untested program that puts the safety of America's workers and retirees at risk. That is really the bottom line. Because of the misplaced spending priorities, the national debt has grown so large that an average family of four pays thousands of dollars each year to pay down the government's debt, which is just like the interest that you pay on a credit card when you do not pay off that debt every month.

Imagine what that family is going to owe when trillions of dollars are added to their monthly statements in the form of new and higher taxes. And what do they get for all that spending? Benefit cuts, removal of their retirement security, all of which is subject to the whims of politicians and the stock market's fluctuations. And that is totally inappropriate public policy, and young Americans should be as deeply disturbed as we are.

Mr. MEEK of Florida. Mr. Speaker, I just want to tell my colleague from Florida that many of the individuals that are beating their chests about the

President's plan, and I will not even call it a plan because there is no plan; I have not received a bound copy from the White House saying this is the Social Security plan.

Mr. RYAN of Ohio. Maybe he did not send it to you.

Mr. MEEK of Florida. Well, maybe he did not. But I do not think anyone has it, and I think there is a lot of Federal jet fuel being burned flying throughout the country, lining up individuals that are excited to see the President of the United States, but who may not fully understand the fact that they are going to receive fewer benefits, that Social Security is there for them for the next 50 years, and even beyond that with 80 percent of the benefits if we did nothing as relates to Social Security.

We have to make sure that we maintain and do the things that not only the Democratic Congress did along with President Reagan, making sure we kept Social Security sound for future generations, but we need to make sure we do it in a way that we are not scaring Americans and making them feel that the sky is going to fall when it is not.

□ 2030

The only thing that is guaranteed here is that \$940 billion that will then fall into Wall Street and the companies, maybe the two or three that will be chosen to handle these private accounts, that will give young Americans, or even middle-aged Americans because, remember, the President said if you are over 55, do not worry. He also told us a number of things as relates to Medicare, and we are finding out it is not true. I am not saying that the President is not being truthful with us; I am just saying we are not getting good information.

Mr. RYAN of Ohio. Mr. Speaker, so we are going from a guaranteed benefit for Social Security recipients to a guaranteed payment for those Wall Street investors. No matter what happens, whether the investments or the portfolios they are negotiating go up or down, they are going to get paid, guaranteed. Why would you shift that from the beneficiaries?

Ms. WASSERMAN SCHULTZ. Mr. Speaker, I want to bring up something that maybe has not been discussed and that is the disproportionate impact that the President's plan will have on women. Women are already starting far behind the eight ball as compared to men in their earnings. There are a number of factors that leave women even more vulnerable to this radical proposal than it leaves men.

In 2003, for example, the average monthly Social Security benefit for a woman was only \$798. That is \$241 less than the average man's monthly retirement. Women's earnings are 77 percent relative to men back in 2002. Women who reach retirement age live, on average, at least 3 years longer than men, and Social Security is the only source of retirement income for one in three unmarried women.

Without Social Security, 52 percent of white women, 65 percent of African American women, and 61 percent of Hispanic women would live in poverty upon retirement without the safety net that Social Security provides. It provides more than half of the total income for female widows and for single women.

So when the President talks about the different groups that his proposal would disproportionately benefit, he does not seem to care that we would leave women in this country completely out in the cold.

Mr. SCOTT of Georgia. Mr. Speaker, I wanted to emphasize that the young people need to realize that if you were to make this move into a private account, you will correspondingly have benefits cut down the road. You are going to lose in benefits far more than you would in the accounts with the risk-taking involved and because your Social Security investment is protected from inflation, it is guaranteed, and when you have those cuts taken away as a result of going into the private accounts, it should make one stop and think a little bit before even entertaining the idea of going into private accounts because they would correspond in the cuts.

Mr. MEEK of Florida. Mr. Speaker, I see the gentleman from Ohio (Mr. RYAN) has some examples of what can happen to many of the young people, and the gentleman knows he is in charge of the charts. I just want to say, it is important to not only give our e-mail address out, because we want to continue to talk with Americans about this issue, and also Members of Congress we would say, and even the other body, to go onto our Web site to get information on what we talked about today with the Democratic leader of going out into America, speaking to groups that want to know more information about what this Social Security privatization scheme has in store for them if we fail them as a Congress.

Mr. RYAN of Ohio. Mr. Speaker, the gentleman is absolutely right that we should have a debate about this.

To e-mail us, it is 30somethingdems@mail.house.gov.

We have some charts here that kind of play out President Bush's scenario with four younger people. The one we have here is 18-year-old Ashley. We wanted to get a woman in there. These are the benefits under current law, what Ashley would get when she retires in 2052.

Under the current benefit, she would get \$1,628 if we do not do anything. Under President Bush's good blueprint, which is the best case scenario, but we have to factor in tax cuts, the 20 percent you have to give the investors, the borrowed money, everything else, the risk is probably not included in here, Ashley would get \$1,099. So you are talking about a \$529 difference. This is our system that we have today, and the Ponzi scheme which has been proposed. That is Ashley.

Now we have Eric. Eric is 28 years old, lives in Miami, Florida. He retires in 2042. Under current law, when Eric retires in 2042, Eric would get \$1,478 a month. In 2042, under the President's best case scenario, which we call the good blueprint, Eric would get \$1,098 which is a \$380 difference per month, just doing the math quickly.

Clearly, under the current system, Eric at age 28, if you are listening and you are 28 and we keep things solvent, maybe make some minor adjustments to keep the system going, you get almost \$1,500 a month and under President Bush's plan, \$1,100 a month.

Last we have Jennifer. Jennifer is from Ohio. She is 38 years old. She retires in 2032, a little closer. Under the current law, she will get \$1,343 a month. Under President Bush's scheme, \$1,099. There is still a \$250 a month cut because there is less money going in.

People are putting money in private accounts. There is an increase in taxes because you have to borrow \$2 trillion and you have to pay your investors their 20 percent for making the deals for you. So even someone 38 years old retiring in 2032 is still going to see under President Bush's plan a cut of \$250.

All we are saying is, we have a guaranteed benefit. The system is working. No one is going to hit the lottery on this system; we understand that. But it was not meant to hit the lottery. It was meant as a social insurance program. Fifty percent of the beneficiaries, if they did not get Social Security, would live in poverty; and we are going to flip this system upside down and go borrow \$2 trillion from the Chinese, who are cleaning our clock economically anyway. It does not make a whole lot of sense.

Mr. MEEK of Florida. Mr. Speaker, I want to make sure that people understand that we are not just talking teenagers, we are not just talking about 20 or 30 something. Here is Bill. Here is an example. And many of these numbers, as we start talking about Social Security being able to provide the benefits that it has now, is not the Davis, Scott, Wasserman Schultz, Meek and Ryan report, this is from the Congressional Budget Office, numbers that they have given us. This is not anything that we sat in a room and said, let us see what works towards our favor here. This is fact and this is reality.

Here is Bill, who is 48, from Georgia, probably from Montezuma where my folks are in Georgia. Let us say Bill retires at 2022. Under the present benefits, he has \$1,266 in the year 2022. But under what the President is proposing under his privatization scheme that will guarantee billions for the corporations that are already prospering under his administration, and I mean the big corporations, not the small ones, he will receive under the Bush plan, \$1,141.

To create a crisis, to then step into a gamble is unfair to the American work-

er. It is unfair to American families, and I must add family benefits and survivor benefits are holding families, people who work every day, folks who wake up and catch the early bus in the morning, people who know what it means to have a 15-minute break in the afternoon and in the morning, these are people who work every day.

Here in this Congress, we have to make choices. Here, in the Democratic Caucus and in the 30-Something Group, we have made the choice to be on the side of the individual that works every day and has paid into the system every day and expects that we will not go back on the deal as the gentleman from Georgia (Mr. SCOTT) pointed out earlier, as we have done to veterans, and we are doing to veterans in this budget that the President has put forth. It is very unfortunate.

It is time for not only the American people to wake up, but also for Members of Congress to wake up and stop following the so-called leader, and say, this is wrong and I am not going to move forward with a plan that is going to give my constituents less than what they had when I was elected.

Ms. WASSERMAN SCHULTZ. Mr. Speaker, I know we are using Congressional Budget Office numbers, and that needs to be understood. We are not just making this up to fit the picture that we want to show here.

But the question I have is, when I sat in the Chamber and listened to the President deliver the State of the Union address, my understanding of the President's proposal was that he would try to put forward a proposal that would ensure future retirees would have more money. The illusion that he has created is that by privatizing Social Security, putting the future of Social Security into the stock market, he led people to believe Wednesday night that they would retire with more money than they would have if we left the system as it is. But each of the graphs I have seen here tonight shows consistently there is less money for each scenario, whether you are the youngest future retiree or the oldest future retiree.

How are we wrong and he is right? How is it that he does not see that he is costing the government trillions of dollars, pulling the rug out from under our retirees and causing them to have less money, not more? What are we not getting here?

Mr. RYAN of Ohio. Mr. Speaker, this is a real pattern of behavior. I think when we are talking to the young students out there, the 20-somethings and 30-somethings, and we look at the track record of the last 4 years, weapons of mass destruction, oil money for reconstruction, American taxpayers are not going to have to pay a dime. Mr. Wolfowitz testified \$5 billion was all the Americans were going to have to pay, and now we are \$300 billion in; and that we would be greeted as liberators, and on and on and on. None of that was true.

Then we went to the Medicare bill. It was \$400 billion. Two months later, it was \$550 billion. And today, and it is funny, if it was not so sad, it would be hilarious, \$1.2 trillion. We went from \$400 billion when we voted on this thing, to \$1.2 trillion. So this is clearly a pattern. So when they come to us with this proposal, how are we supposed to believe them? How are the young people supposed to believe them?

Ms. WASSERMAN SCHULTZ. So is their theory, if they say it enough times, it will become true?

Mr. RYAN of Ohio. I think that is it. Basically we are going to bet the ponies, and we do not have any money in our pocket, so we are going to put it on our credit card at 21 percent. We have to pay the Chinese back because they issued us the credit card. It is a dangerous game.

Mr. SCOTT of Georgia. Mr. Speaker, I think it is very important that we reflect and understand the purpose of Social Security. This is an insurance program. We have investment programs for the stock market. We have 401(k)s in which an employer and an employee contributes. We have other kinds of alternatives. But, remember, it was the Democratic Party that birthed Social Security. It has been the Democratic Party that has protected Social Security. Social Security has been the bulwark of making America have the highest standard of living.

Let us not forget the words of the gentleman who produced Social Security, Franklin Delano Roosevelt, who said we want to make sure that at no time in America will any of our people, as they get old, succumb to the throes and the woes of poverty.

□ 2045

It is an insurance program, plain and simple. If they want private accounts, there is nothing wrong with investing in the stock market. There are opportunities to do that. They have 401(k)s. But Social Security is there.

And I just say we are addressing most of our remarks to 20-somethings and 30-somethings, but our 20-somethings and 30-somethings will soon be 40-somethings and 50-somethings and 60-somethings. At the end of the day, we need to make sure that we do not disturb that cushion that has provided America with the highest standard of living in the world, and that cushion is Social Security.

Mr. MEEK of Florida. Mr. Speaker, reclaiming my time, the gentleman from Georgia (Mr. SCOTT) could not say it better.

And just in closing, Mr. Speaker, as we close, we want to make sure that we want people to go on to find out more about not only what House Democrats are talking about, but as it relates to our tour throughout the country. It is democraticleader.house.gov/30something. Also, we would close with the message that Democrats want to strengthen Social Security without slashing benefits to Americans that

they have earned. Private accounts make the Social Security challenge worse, enforce massive benefit cuts, and increase the national debt. Once President Bush stops insisting on private accounts, then we can have a true debate as it relates to making sure the promise of Social Security will be around for future generations to come.

It is always a pleasure to co-chair this hour with the gentleman from Ohio (Mr. RYAN). And also I want to thank the gentlewoman from Florida (Ms. WASSERMAN SCHULTZ) for being a part of the working group 30-something. And to the gentleman from Georgia (Mr. SCOTT), it is always good to have a 40-something. I will go ahead and put it that way.

AMERICA'S VETERANS

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

GENERAL LEAVE

Mr. STRICKLAND. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the subject of my Special Order.

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

There was no objection.

Mr. STRICKLAND. Mr. Speaker, I am here with the gentleman from Illinois (Mr. EVANS), my good friend and colleague, the ranking member on the Committee on Veterans' Affairs tonight; and we will be joined by some others a little later. But we are here to talk about some of the issues facing America's veterans and especially the result of the budget on veterans health care.

I would like to preface my remarks, though, by saying that in this Chamber comprised of 435 Members from all across this country, Democrats and Republicans, some people from large cities, others from small towns, we all have to make decisions in this Chamber. We make decisions about what is most important for our constituents and what is most important for the American people. So we have to choose among priorities. But it is my feeling as a Member of the Committee on Veterans' Affairs, and I am sure the gentleman from Illinois (Mr. EVANS) feels the same way, that America's veterans should be given a high priority by this Congress.

Right now we have Americans, most of them young, but many of them in their 30s and 40s and even some in their 50s fighting for us in Iraq and in Afghanistan, and there are soldiers scattered in other places around this Earth. They are putting their lives on the line for us, and many have in the past put their lives on the line. They have lost their lives, many have, and others have lost their health, lost their

limbs, lost their peace of mind as a result of their service to this country. So I believe that most Americans feel as if this country has an obligation, a sacred obligation, a moral obligation to do what is right for our veterans.

We are making choices here in Washington, D.C., and some of the choices we are making are choices between providing tax breaks to the richest people in this country, while at the same time we are making decisions to cut back, to reduce, to limit the health care that is available to America's veterans. This is certainly reflected in the President's budget.

But before I talk about the budget, I yield to the gentleman from Illinois (Mr. EVANS), the good ranking member of our committee. The gentleman from Illinois (Mr. EVANS) is a strong advocate for veterans, and I want yield to him to say a few words before I get into some of the specifics regarding the President's budget and veterans health care.

Mr. EVANS. Mr. Speaker, I appreciate the gentleman's yielding to me, and I thank him for holding this Special Order.

I was 17 years old when I went into the United States Marine Corps. It was the proudest thing I have done in my life, including having this job, because it was really an experience in which we gave it all. I did not go to Vietnam, but I served as a Marine Corps guard of Naval Nuclear Ordnance in Okinawa. And it was a great point in my life. I was 18 years old when I got sent overseas, and I will never forget what those guys coming back home told us one night in a bar, going home from Vietnam via Okinawa, that the contributions they made, despite the controversy of that war, were ones that we should never have forgotten.

But not only did we forget Vietnam; we have forgotten the veterans of this new war that is going on. And I think it is tragic that we do not live up to the consequences of funding the programs that our veterans assume will be available to them, and I think that we have got to keep it in mind that the young people, minorities, poor white people are the same people who fought this war as was waged by those men and women in combat in the last war. That is why we need to do all we can to help the veterans out.

But this is not what the budget calls for. The budget call for increases in premiums paid for the prescription drug benefit, a benefit that has been very helpful to our veterans, particularly in line with the rate of increases in the private sector. The hospitalization is a big benefit to them, and yet this administration would sink to cut those benefits by double the pay for those benefits. So we have got a lot to work to do.

What do we tell the people back home in places like Quincy, Illinois, who have a State nursing home run by the State, but pay partial per diem each day? What are we going to do with