

pages that have been referred to in the Senate who are now becoming the object of many of our speeches, I don't think we are doing any favors by creating private accounts and saying, incidentally, here is a \$2 trillion debt, a little mortgage for you to consider. Do not forget about your student loans and getting married and buying that first car and buying that home; here is a little debt from Uncle Sam that is part of the President's proposal.

When I listen to the President's privatization approach, I have to say there are several aspects that trouble me. First, this is not a crisis. We are not going to be in dire emergency circumstances in 2008. According to the Congressional Budget Office, almost 50 years from now Social Security is solvent. Social Security is making every single payment. Yes, we have a challenge beyond that. Secondly, the President's plan does not make Social Security stronger, it makes it weaker. And third, if this is such an obvious answer, why won't the President include this in his budget? You cannot take a plan seriously if the President does not put it in his budget.

I will yield to the Senator from Utah for a question.

Mr. BENNETT. Madam President, the Senator from Illinois began by saying that the facts were different than those I had outlined. I would ask him to tell me where my facts are wrong. He referred to the GAO and the CBO, all of which are fully aware of the facts I quoted, and all of which, to my understanding, endorsed the facts I quoted. So I would like to know where factually I was in error.

Mr. DURBIN. I thank the Senator from Utah. I am afraid I did not hear his exact words, but he referred to the year 2008 as being a critical year.

Mr. BENNETT. That is correct.

Mr. DURBIN. As I understand it, we are currently collecting more from our workers across America for Social Security than we currently need to pay out to retirees. This has been the case since the mid-1980s because we saw this big tsunami of the baby boom generation coming at Social Security. This year, we may be collecting as much as twice the amount we need to pay the Social Security retirees, building up this surplus.

So to suggest we have this terrible situation today where we cannot meet the obligations of Social Security, or that we are going to have it in 2008, or that we are going to have it in 2018 is wrong. By all of the Government agencies mentioned by the Senator from Utah, we are going to make every single payment in Social Security for 37 years, maybe 47 years. There is no crisis because we prepared for this. It is as if we understood in a family situation that we are not going to earn enough money in the outyears to make a go of it, so we save money and take it from our savings account for those lean years. That is what we are doing for Social Security.

To suggest this is a crisis we did not anticipate, I was here when we did anticipate it. President Reagan and Tip O'Neill, in anticipation of it, came up with a good, bipartisan approach.

I yield to the Senator from Utah for another question.

Mr. BENNETT. Madam President, is the Senator from Illinois aware of the fact that the Comptroller General of the United States, who runs GAO, has used the 2008 figure because the 2008 date is the date the baby boomers start to retire? Is the Senator from Illinois aware of the fact that I did not say there is a looming crisis that hits us in 2008, that what I said was the pressure on the Social Security system will begin in 2008 and will build from that date to the point that ultimately \$1.5 trillion will have to be raised to fill in the hole in the trust fund, once we cross the line where the amount coming in does not meet the amount going out, and that the 2008 figure is the beginning of the crisis? By no means did I imply or state that 2008 was indeed a crisis point.

Mr. DURBIN. Madam President, reclaiming my time, let me concede to the Senator from Utah, if I misstated his position, I apologize. I do want to make it clear, though, that I sincerely disagree with your conclusion. To suggest we are facing a crisis in 2008 is to suggest we did not anticipate what will happen in 2008, and that is plain wrong.

In 1983, we anticipated the baby boomer generation, larger numbers of retirees, and we did something about it because we made changes in the law. Because we are prepared for the baby boomers, we will not be in crisis in 2008. We will have the money to pay every single baby boomer every penny promised.

That is the point many on the other side of the aisle want to overlook. They want to overlook what we did in 1983. Instead, they should look to that as a model for what we should do in 2005.

If we want to do something for Social Security, let's do it on a bipartisan basis.

Mrs. MURRAY. Madam President, will the Senator from Illinois yield for a question?

Mr. DURBIN. Madam President, before I yield, I would ask the Presiding Officer, how much time is remaining in morning business on our side?

The PRESIDING OFFICER. There is 15 minutes 45 seconds remaining.

Mr. DURBIN. Madam President, I will make a statement that will take about 7 or 8 minutes on Medicare prescription drugs. Then I will yield the remainder of the time to the Senator from Washington.

Mrs. MURRAY. Madam President, that would be great. Can I ask the Senator to yield for one question on Social Security?

Mr. DURBIN. I am happy to yield to the Senator for one question.

Mrs. MURRAY. Madam President, I listened carefully to the discussion of the Senator from Illinois on Social Se-

curity, and I am curious, because I heard the President say if you are 55 or older you are fine, you will be OK under his new plan. He is targeting it to everybody else. But as I listened to the Senator talk about the fact that money would be taken out of the payroll tax, and we also would be increasing the debt by substantial amounts, do you think someone who is 55 today is going to be OK under this plan 10 years from now when they retire and money has been taken out of the payroll tax?

Mr. DURBIN. Madam President, in response to the question of the Senator from Washington, I obviously cannot answer that because no one knows what this privatization plan would do exactly. It certainly is not healthy for the Social Security system to see payroll taxes that had been anticipated and dedicated to paying retirees being removed and put into private investments with the risk attached to them. So I do not think there is any certainty for any retiree if the President cannot come up with more details on what he plans to do. I, for one, think the President's plan weakens Social Security and does not strengthen it.

(The remarks of Mr. DURBIN and Mrs. MURRAY pertaining to the introduction of S. 341 are printed in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Washington.

BUDGET IMPACT ON VETERANS

Mrs. MURRAY. Madam President, one week ago we walked across the Capitol to hear President Bush outline his priorities for the Nation when he issued his State of the Union Address. On that night, President Bush told all of us and the Nation that the document reflecting his priorities, his fiscal year 2006 budget, ". . . substantially reduces or eliminates more than 150 government programs that are not getting results, or duplicate current efforts, or do not fulfill essential priorities."

Less than a week after delivering that address, the President unveiled his budget that defines exactly what he sees as those nonessential priorities. What are they? Students; our ports and our borders; accessible health care; nuclear waste cleanup.

In addition, his budget has not one dollar—that is right, not one single dollar—for the two top priorities the President talked about that night. His two top priorities: Social Security transition, and making the tax cuts permanent. Both of those items are completely ignored in his budget. This is a camouflage budget that we have been presented, and it is meant to hide the truth from American families.

What the President should know is that families in my home State of Washington and across the country are concerned about the security of their

jobs, the security of their communities, access to affordable health care, and quality education.

Unfortunately, rather than inspiring confidence, I believe the President's budget leaves too many Americans questioning the future. On issue after issue, this budget falls short of what our communities need today to move forward and to feel secure.

What I would like to focus on is this budget's impact on one group that we absolutely must take care of, and that is our Nation's veterans. We have no greater obligation as elected officials than to take care of those who have taken care of us. Unfortunately, I fear this administration is failing in this most important responsibility. After asking thousands of soldiers to serve us overseas, this administration is not making their health care and their well-being a priority when they cease being soldiers and become veterans.

Access to first-class care should be a reality for all veterans, especially while our Nation is at war. The President's budget may have a few small steps in the right direction, but, sadly, he does not go far enough to meet the needs of all veterans. If this budget and its misguided proposals were enacted, it would devastate veterans' health care. Payroll and inflation increases for doctors, for nurses, for medications cost more than \$1 billion. But the President has proposed to give the VA only half what it needs. To make up for the shortfall, the budget forces more than 2 million so-called middle-income veterans to pay more than double for their needed medications and to pay a \$250 enrollment fee. That is not what we promised veterans when we asked them to serve us overseas.

In addition, the President's budget actually continues to ban some veterans from coming to the VA for care. So far under this flawed policy, 192,260 veterans have been turned away across the country, including more than 3,000 in my home State. This sends the wrong message to our troops overseas. They need to know we are there for them when they return home.

Sadly, this budget also destroys the relationship between the VA and our States. After the Civil War, the VA has supported the cost of veterans who reside in our State VA nursing homes. But this budget now calls on States to cover the entire cost of care for many veterans in these cost-effective nursing homes.

To make this budget add up, the President calls for \$590 million in unspecified efficiencies. Thousands of nurses and other providers will be cut, thousands of nursing home beds will be shuttered, and more than 1 million veterans will no longer be able to afford to come to the VA for care.

You don't have to take my word for this. Listen to the head of the VFW who addressed this issue in *Commerce Daily* a few days ago. John Furgess, who heads the Veterans of Foreign Wars, said the administration's pro-

posed \$880 million increase in veterans health care only amounts to an increase of about \$100 million because the budget proposes that veterans shoulder a \$250 enrollment fee and an increased copay on prescription drugs in addition to nursing home cuts. Furgess said:

Part of the federal government's deficit will be balanced on the backs of military veterans, because it's clear that the proper funding of veterans' health care and other programs is not an administration priority.

There is more. Before the budget was even sent to Congress, I read this in the *New York Times*:

Richard B. Fuller, legislative director of the Paralyzed Veterans of America, said: "The proposed increase in health spending is not sufficient at a time when the number of patients is increasing and there has been a huge increase in health care costs. It will not cover the need. The enrollment fee is a health care tax, designed to raise revenue and to discourage people from enrolling."

Mr. Fuller added that the budget would force veterans, hospitals, and clinics to limit services. He said:

We are already seeing an increase in waiting lists, even for some Iraq veterans.

The story went on to say that there are already some hospitals with waiting lists for Iraqi veterans:

In Michigan, for example, thousands of veterans are on waiting lists for medical services, and some reservists returning from Iraq say they have been unable to obtain the care they were promised. A veterans clinic in Pontiac, Mich., put a limit on new enrollment. Cutbacks at a veterans hospital in Altoona, Pa., are forcing some veterans to seek treatment elsewhere.

And yesterday, in an editorial titled "Penalizing Veterans," the *Boston Globe* said:

It is a sign of how desperate the Bush administration is to protect tax cuts for the wealthy while also trying to reduce runaway deficits that it would call for veterans to pay more for their health benefits. Congress should reject this proposal out of hand and put enough money into veterans' health care to end the inexcusable waiting lists at many veterans' facilities.

I ask unanimous consent to print the editorial in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the *Boston Globe*, Feb. 9, 2005]

PENALIZING VETERANS

It is a sign of how desperate the Bush administration is to protect tax cuts for the wealthy while also trying to reduce runaway deficits that it would call for veterans to pay more for their health benefits. Congress should reject this proposal out of hand and put enough money into veterans' health care to end the inexcusable waiting lists at many veterans' facilities.

Under the Bush proposal, veterans would have to pay an enrollment fee of \$250 for VA care. Their copay for prescription drugs would rise from \$7 to \$15 for a monthly prescription. The administration lamely defends these charges by noting that they are for "higher-income" veterans without service-connected disabilities. According to Joe March of the American Legion, the administration defines "higher income" as \$25,000 or more, which hardly qualifies as the Boca Raton set. A VA spokesman said the income

level is based on local conditions. He could not provide a national average.

The goal of the administration, which has made similar proposals in the past, is to save close to a half-billion dollars by coaxing more than 200,000 veterans to seek care in other venues. But increasing numbers of older Americans have been turning to VA clinics and hospitals because they have lost their employment-based insurance and discovered that Medicare will not start covering prescription drug costs until 2006. Many of these veterans do not have affordable alternatives. According to Representative Stephen Lynch of South Boston, veterans in his district often have to wait eight months to see a doctor.

Treatment of veterans without service-related disabilities is considered "discretionary" spending by the Department of Veterans Affairs. Veterans' advocates think this care should not be discretionary but mandatory, like Medicare. In spite of the growing number of veterans from recent wars, the increasingly severe health needs of older veterans, and overall increases in health costs, the administration is asking for just a 2.7 percent increase for "discretionary" health care. Veterans groups favor an increase of 25 percent.

That is not realistic, but it is a reflection of the frustration the advocates feel knowing that inadequate spending for veterans' health is undermining the unwritten promise of lifetime care that many veterans believe was made to them when they took the oath.

"Veterans' health care is an ongoing expense of war," the American Legion's national commander, Thomas Cadmus, said yesterday. It is particularly wrong-headed for the administration to squeeze veterans when some of the armed services have had trouble filling their ranks. Congress should tell the Bush administration that veterans, who enlisted to help their nation, should not be enlisted anew, involuntarily, and burdened with the job of balancing the budget.

Mrs. MURRAY. As my colleagues can see, I am not alone in my concern for this budget's tremendous impact on our veterans. Unfortunately, the widespread outrage at this budget is not limited to its impact on veterans. I could speak for much time on this floor about my concern about the other priorities our country faces—health care, education, and nuclear waste cleanup.

As a member of the Budget Committee, I raised some of these concerns yesterday with the Director of the Office of Management and Budget. I was pretty disappointed with OMB Director Bolten's responses to our questions on energy policy, on veterans, and on a number of other issues that came before the Budget Committee. This morning, Secretary Snow is addressing the committee. I will leave the floor now to attend that hearing. I hope we get better responses from him.

But for now, let me just say that it seems to me that President Bush believes that in his budget veterans are a nonessential priority. That is an insult. It is an insult to them, to their service, and their sacrifice. I know I, along with many of my colleagues, will not stand for this assault on our veterans. They deserve better.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McCAIN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

(The remarks of Mr. McCAIN and Mr. LIEBERMAN pertaining to the introduction of S. 342 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. McCAIN. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ENSIGN). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SPECTER. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

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

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

CLASS ACTION FAIRNESS ACT OF 2005

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of S. 5, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 5) to amend the procedures that apply to the consideration of interstate class actions to assure fairer outcomes for class members and defendants, and for other purposes.

Pending:

Durbin (Modified) Amendment No. 3, to preserve State court procedures for handling mass actions.

Feingold Amendment No. 12, to establish time limits for action by Federal district courts on motions to remand cases that have been removed to Federal court.

Mr. SPECTER. Mr. President, I thank Senators on both sides of the aisle for their cooperation in moving this class action bill. We reported it out of committee a week ago today and started the opening debate on it on Monday afternoon and then proceeded in a very timely fashion. The prospects are good that we will conclude action on the bill today. A unanimous consent agreement is currently in the process of being worked out, and we will know in the next few minutes precisely what will happen.

We are going to proceed in a few minutes to the amendment offered by the Senator from Wisconsin, Mr. FEINGOLD, which would impose some time limits on the courts which, as I said at the committee hearing last week, I think is a good idea. I advised Senator FEINGOLD that I would feel constrained to oppose it on this bill because of the procedural status, where the House of Representatives has been reported to accept the Senate bill provided it comes over as what we call a clean bill, without amendments.

But as I said to Senator FEINGOLD, and will repeat for the record, I had

heard many complaints about delays in our Federal judicial system. I believe that is an appropriate subject for inquiry by the Judiciary Committee on a broader range than the issue specifically proposed by Senator FEINGOLD. It is in the same family.

I want to be emphatic. We are not impinging in any way on the independence of the Federal judiciary, their discretionary judgments. But when it comes to time limits, how long they have these matters under advisement, I think that is an appropriate matter for congressional inquiry. It bears on how many judges we need and what ought to be done with our judicial system generally. So that will be a subject taken up by the Judiciary Committee at a later date.

I think the Senate bill—this may be a little parochial pride—is more in keeping with an equitable handling of class action bills than is the House bill. For example, the House bill would be retroactive and apply to matters now pending in the State courts, which would be extraordinarily disruptive of many State court proceedings. I think it is fair and accurate to say that the House bill is more restrictive than the Senate bill and our Senate bill, I think, is a better measure to achieve the targeted objective of having class actions decided in the Federal court with balance for plaintiffs and for defendants as well.

So we are moving, I think, by this afternoon, to have a bill which will be ready for concurrence by the House, and signature by the President, and that I think will be a sign that we are moving forward on the legislative calendar.

The Senator from Louisiana is going to seek recognition in a few minutes. I thank my distinguished colleague, Senator HATCH, the former chairman, who has agreed to come over and manage the bill during my absence. We are, at the moment, having hearings on the bankruptcy bill which we hope to have in executive session next Thursday, to move ahead on our fast moving, ambitious judiciary calendar.

I now yield to my distinguished colleague from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. VITTER. Mr. President, I rise in strong support of S. 5, the Class Action Fairness Act of 2005. In doing so, I wish to recognize and thank them for their leadership, so many Senators who have moved the bill thus far, certainly including the chairman of the Judiciary Committee who just spoke, also the Senator from Iowa, the chief sponsor of the bill, and also the Senator from Utah, the former chairman of the Judiciary Committee.

I am also an original cosponsor of this bill, because it would protect consumers from some of the most egregious abuses in our judicial system.

Let me begin by saying that class actions are an important part of our justice system. They serve an important

purpose when properly defined. No one would dispute they are a valuable feature of the legal system. This bill doesn't do away with them.

As stated so eloquently by the bill's chief sponsor, my colleague from Iowa, S. 5 is really court reform more than tort reform. What does it reform? What is the problem?

The reason we need to pass this bill is that there are loopholes in the class action system, and it allows bad actors to game the system. As a result, in recent years class actions have been subject to abuses that actually work to the detriment of individual consumers, plaintiffs in such cases. That is exactly who the law is supposed to help.

Additionally, this gaming of the system clearly works to the detriment of business and our economy, and the need for job creation in forging a strong economy.

Such abuses happen mainly in State and local courts in cases that really ought to be heard in Federal court.

We currently have a system, therefore, which some trial lawyers seeking to game the system in an effort to maximize their fees seek out some small jurisdiction to pursue nationwide cookie-cutter cases, and they act against major players in a targeted industry. Often, these suits have very little, if anything, to do with the place in which they are brought. Rather, lawyers select the venues for strategic reasons, or for political reasons, a practice known as forum shopping.

These trial lawyers seek out jurisdictions in which the judge will not hesitate to approve settlements in which the lawyers walk away with huge fees and the plaintiff class members often get next to nothing. The judges in these jurisdictions will decide the claims of other State citizens under their unique State law. They will use litigation models that deny due process rights to consumers and defendants.

Often the decisions coming out of these hand-picked and carefully selected venues are huge windfalls for trial lawyers and big law firms and a punch line for consumers and the people the lawyers claim to represent. There is now in our country a full blown effort aimed at mining for jackpots in sympathetic courts known as "magnet courts" for the favorable way they treat these cases.

Let us look at a few examples of exactly what I am talking about. Perhaps the best example nationwide, in terms of preferred venues for trial lawyers, is Madison County, IL, where class action filings between 1998 and 2000 increased nearly 2,000 percent. There is actually an example of a South Carolina law firm filing a purported class action on behalf of three named plaintiffs. None of them lived in Madison County, IL, but the lawsuit was filed in that jurisdiction against 31 defendants throughout the United States. None of those defendants were located in Madison County. These lawyers based the alleged jurisdiction on the mere allegation that some as yet unknown class