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House of Representatives

The House was not in session today. Its next meeting will be held on Tuesday, February 8, 2005, at 2 p.m.

Senate

THURSDAY, FEBRUARY 3, 2005

The Senate met at 9 a.m. and was called to order by the President pro tempore (Mr. STEVENS).

The PRESIDENT pro tempore. Today's prayer will be offered by our guest Chaplain, Rev. John Holt of the Rhode Island State Council of Churches in Providence, RI.

PRAYER

The guest Chaplain offered the following prayer:

O God, on this day of prayer, we ask: Who will find their way home to You?

If we listen, O God, You tell us: The ones who seek to do right, the ones who speak heart-felt truth, the ones whose tongues know not slander, the ones who inflict no evil upon friends, will find their way home to You.

O God, on this day of prayer, we wonder: Who will be lifted up to Your holy heavens?

If we listen, O God, You tell us: The ones who walk with integrity, the ones who love their neighbor, the ones who hold fast to their word, the ones who embrace the innocent, will be lifted up on high.

O God, on this day of prayer: we hope: That those who serve in the Senate, that those who live in our land, that those who are our friends, and those who are our enemies, will seek to live within Your will.

For we know, O God, that those who live as You desire, shall abide in Your presence. They shall not be moved, not now, not ever. Amen.

PLEDGE OF ALLEGIANCE

The PRESIDENT pro tempore led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE MINORITY LEADER

The PRESIDENT pro tempore. The Democratic leader is recognized.

ORDER OF PROCEDURE

Mr. REID. Mr. President, I ask unanimous consent that the hour that I have been given to the Senator from Maryland for distribution in morning business.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask the Chair how much time is remaining on both sides for the Gonzales nomination?

The PRESIDENT pro tempore. There are 8 hours remaining on the nomination.

Mr. REID. Is it equally divided?

The PRESIDENT pro tempore. The Chair's understanding is that it is equally divided all the way through the day.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there shall be a period for the transaction of morning business for 2 hours, with the first hour

under the control of the Democratic leader or his designee and the second hour under the control of the majority leader or his designee.

The Senator from Maryland.

Ms. MIKULSKI. Mr. President, I yield 1 minute to the Senator from Rhode Island. I understand the Chaplain is a constituent of his.

The PRESIDENT pro tempore. The Senator from Rhode Island is recognized.

WELCOME TO GUEST CHAPLAIN JOHN HOLT

Mr. REED. Mr. President, I rise to recognize my friend John Holt, who is one of the great leaders of our faith community in Rhode Island. In many dimensions, his efforts have made our State a much better place, more decent, more noble, and more caring. He is somebody who recognizes that faith is not just words but it is actions, and each day he tries to put those faithful actions into the lives of the people of Rhode Island. With great pride, it is a pleasure and a real privilege to recognize today his serving as the Chaplain of the Senate.

The PRESIDENT pro tempore. The Senator from Maryland is recognized.

SOCIAL SECURITY

Ms. MIKULSKI. Mr. President, as the senior Democratic woman of the Senate, I rise to tell my colleagues today that we, the Democratic women of the Senate, want to take the floor together and unanimously stand up for Social

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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Security. We want to stand up for American families, stand up for American children, and stand up against the dismemberment of Social Security. This morning my colleagues will see all of us taking the floor to speak with passion, to speak with fortitude, to say that no matter what happens in the legislative days ahead, the outcome will be that Social Security will always be a guaranteed benefit and not a guaranteed gamble.

When one gets old and they are sick, there are not many things they can count on but they should be able to count on Social Security. Our seniors' retirement should never rely on the bull of political promises or the bear of the market.

We women are at risk, and that is why we want a guaranteed benefit, not a guaranteed gamble. We, the women, know the odds. We know that Social Security cannot be slot machine Social Security, that when one pulls the lever they get a lemon instead of three gold bars.

All of our lives we have been placed in the penalty box just because of who we are. We earn less money than men, and we often work at jobs less likely to have a pension. We are in and out of the marketplace because of family responsibilities. We live longer, and the consequences are when we retire we get less. Social Security is a great equalizer and we want to be out of the penalty box and be in a guaranteed benefit box.

Right now, even in the debate we are already getting ready to face discrimination. Chairman THOMAS of the Ways and Means Committee said because women live longer, maybe our benefits should be reduced. That is outrageous. I thought we were all created equal under the Constitution, and we should all be treated equal under Social Security.

I am taking a position, along with my women Democratic colleagues, that we will not support a plan that does not provide a guaranteed, inflation-proof, lifelong benefit.

We, the Democratic women of the Senate, have certain criteria as this debate goes forward: Preserve Social Security's guaranteed lifetime inflation benefit; preserve Social Security for workers when they are disabled and for workers' spouses and children when they are disabled; and protect against the impoverishment of women by maintaining Social Security's benefit structure. Social Security provides a minimum floor against dire circumstances and that is part of the social insurance.

When we talk about a guaranteed benefit, not a guaranteed gamble, it is very clear why. Today we know our benefits are benefits we can count on. We do not have to worry about whether the stock market doing well. We do not have to worry about did we make investments, do we know bonds and stocks and indexes? What we do know is this is the guaranteed benefit. All

other private savings, private pensions, are built around it. Social Security is the anchor tenet. Let us not eliminate it.

When we talk about why we need a lifetime benefit, I am concerned about the gimmicks and proposals that are being made now that people could outlive their savings. The great thing about Social Security is one cannot outlive Social Security. It is theirs until the day they die. One can outlive their IRA or their savings, but they can never outlive Social Security. This is an important anchor, particularly because we women live longer.

The plan must be inflation proof. Today, Social Security does not penalize for living longer. We women live longer and we need an adequate cost-of-living increase. When one retires in 2030, they cannot have an income that has been pegged at 1990. That is why it has to be inflation proof.

So we, the democratic women of the Senate, will not support any reform that takes us backward, instead of forward. We will use a checklist we developed to ensure that bad things do not happen to women and families in the name of improvements to Social Security. To have our support, any changes to Social Security must be able to answer these questions:

Does the plan preserve Social Security's guaranteed, lifetime, inflation-protected benefits?

Does the plan preserve Social Security's protections for workers when they are disabled, as well as when they retire, and for workers' spouses and children when workers are disabled, retire, or die?

Does the plan protect against impoverishment of women by maintaining Social Security's progressive benefit structure?

Does the plan strengthen the financing of the Social Security system while ensuring that women and other economically disadvantaged groups are protected to the greatest degree possible?

These principles are the promises of Social Security we will fight to protect. We must keep the "security" in Social Security. It must be a guaranteed benefit, not a guaranteed gamble.

Now let me talk about why these principles are so important and why privatization will specifically hurt women. This checklist is important because Social Security is the primary, or only, income for retired women, disabled workers and their families, working families in retirement who usually do not have access to a pension or other retirement and spouses of retired workers.

First, we need to preserve Social Security's, guaranteed, lifetime, inflation-proof benefits. The plan must be a guarantee. Today you know what your benefits are. You know what you can count on. It is guaranteed. We do not have to worry if the stock market is doing well. We do not have to worry if we invested wisely. We do not have to

worry if our husbands planned well. We do not have to worry if we suddenly become disabled that we will also suddenly be poor. The benefit is there for us. It must be a guarantee. The plan must last for our whole lifetime.

People are terrified that they will outlive their savings. Any proposed plan must guarantee you cannot outlive your Social Security benefit. You can outlive your IRA. You can outlive your savings. But we must guarantee that you will never be able to outlive your Social Security. This is especially important for women. Women live longer than men. But you must never, ever be able to outlive your Social Security. You must know what your benefit is. It must keep pace with inflation. The plan must be inflation-proof.

Today Social Security also does not penalize you for living longer. Women live longer than men. Women need a plan with adequate cost-of-living increases. \$800 a month in 2005 will not buy the same things in 2015.

Think about it: How does rent today compared to 10 years ago, and what will it be in 2005, 2025? We must have a guaranteed plan that protects against inflation.

Second, we need to preserve Social Security's protections for workers when they are disabled as well as when they retire, and for workers' spouses and children when workers are disabled, retire, or die.

Social Security guarantees that if you suddenly become disabled you will not also be suddenly poor. If a woman's husband dies, Social Security guarantees that there will be an income for her. If your spouse suddenly dies, Social Security guarantees that your children will be provided for.

Three million children in this country receive Social Security benefits because their parent was disabled or killed; 52,000 in my State of Maryland alone. We must be able to depend on these benefits. Honor your mother and father.

It is a great commandment to live by—and it is a great commandment to govern by not only as a commandment, but in the federal law books. Make sure it is in the federal checkbooks. Now, this is family values.

Third, we need to protect against impoverishment of women by maintaining Social Security's progressive benefit structure.

Social Security rewards work and recognizes that all work has value. Someone may work for minimum wage but make maximum effort. Social Security provides a minimum floor of protection to keep seniors out of destitution. Social Security has a progressive benefit structure. That means it protects women who work part-time to be a full-time mom. It protects stay-at-home moms who do not earn wages, though what they do is priceless. It protects women who work at minimum wage.

Social Security, with its progressive benefit structure, guarantees there will be enough benefit to live on, even

though you may not have earned much while working. Though you may struggle to make ends meet now, the program will make sure you receive a benefit you can live on. Social Security makes sure you won't be poor.

Fourth, we need to strengthen the financing of the Social Security system while ensuring that women and other economically disadvantaged groups are protected to the greatest degree possible.

For many elderly women, Social Security is not a supplement to their income, it is their income. Compared to men, most women do not receive employer-provided pensions. One-third of women must rely solely on what they receive from Social Security. When you are old and when you are sick, there are not many things you can count on, but you should be able to count on Social Security.

Social Security is more than a safety net. It is a life boat. We need to make sure more senior women and all low-income workers get the benefit of the safety net, and share the life boat. To the people of Maryland, I am on your side. For today and tomorrow, I am going to fight for you to have a benefit that you can count on. In my state, 732,000 people receive Social Security benefits, including nearly 400,000 women. They all need a guaranteed benefit, not a guaranteed gamble.

Without Social Security, almost half of elderly women in Maryland would be poor. Honor your mother and father? We need to protect them and the whole family. We often forget how Social Security protects children. There are 52,000 children in Maryland who depend on Social Security. That means that something happened to one of their parents. They either died or became disabled. We must keep our promise to protect our children. We cannot gamble their future. Now this is a family value. What will privatization cost Americans?

Another big issue for our children is the debt that privatization will create, not just for us, but our children, our grandchildren, and their children.

The transition to a private account system will cost trillions of dollars—yes, trillions of dollars—trillions of dollars that we will have to borrow from another country.

This will cause higher interest rates for our mortgages, our credit cards, our cars, our student loans.

Privatization will squeeze our federal budget even tighter. It will lead to higher taxes on everyone, and cuts in the funding for essential Federal programs besides Social Security, such as Medicare and Medicaid.

This will be bad for the economy, bad for family budgets, and bad for future generations. This is not the legacy we want to leave to our children and grandchildren. Why must we prevent privatization?

Now let me repeat why privatization is bad for America. Privatization will replace the security of a guaranteed

check for a guaranteed gamble. Privatization will eliminate the dependability and predictability of seniors income. Privatization will not be inflation protected so year after year seniors incomes will go down. Privatization will eliminate guaranteed survivor benefits for widows.

Our seniors would have to give all this up for the hope that every single one of them will successfully invest in the stock market. We know how unpredictable and brutal the stock market can be. We cannot place the security of our senior citizens in the private market. They deserve better. They have been promised more. I am here to say we are going to live up to those promises.

We are not going to go back to a time when elderly poverty was commonplace and accepted. We need to strengthen Social Security and improve it. How? By not playing politics, by not being ideological, by working together, by being bipartisan, and doing what is right for America. I am prepared to do that. Democrats are prepared to do that.

We did it last time Social Security faced problems. I worked with President Reagan on Social Security. He created a climate of civility and respect. We all worked together, across the aisle stabilized the Social Security program.

We need to make some changes in the Social Security program, but only modest changes to strengthen the program, not gut it, not gambling with our seniors.

President Bush should follow the Reagan Social Security model, seek responsible changes to Social Security, work with Democrats, do what is right for our seniors, and do what is right for America.

I will join him.

I know the Democrats will, too.

There are colleagues on the floor and I want to yield so they have the time to talk. There are many more things on which I am going to elaborate, such as how this privatization will increase debt, how it will cause rising interest rates, how this foolhardy plan is based on a model that we are taking from the Government of Chile. I respect the people of Latin America, but their pension program has gone bust. This is not what the United States of America should be.

So when I cast my vote, I want to vote for the stability of a social contract that has a guaranteed lifetime benefit. I will not vote for something that is a gamble and then puts us in the wheel of misfortune. I am deeply concerned that if we pursue some of the recommendations that are being made, we will have lower benefits, we will have rising interest rates, and we will have instability in both the market, in pensions, and in Social Security.

What is the wheel of misfortune we could end up with? People could end up outliving their savings. They could end

up disabled and broke. Social Security could lead to poverty rather than a minimum floor. It could be that there has been a market crash and people could never retire and while that is going on interest rates go sky high.

I remember a time in the late 1970s and early 1980s when one could not get a mortgage for less than 15 percent. If one got a home equity loan at 10 percent, they thought they had died and gone to heaven. Car insurance was at 22 percent. Credit cards were at 24 percent. We do not want to ever go there.

I worked with Ronald Reagan to stabilize Social Security in 1983. I want to work with George Bush in 2005. But I will vote for a guaranteed benefit, not a guaranteed gamble. And I would never want to have Social Security just turn to the wheel of misfortune.

I note that my colleagues are in the Chamber, and I now yield 10 minutes to the Senator from Washington.

The PRESIDENT pro tempore. The Senator from Washington is recognized for 10 minutes.

Mrs. MURRAY. Mr. President, I am very proud to join the senior Democratic Senator from Maryland, along with all of my Democratic women colleagues, to declare that we are going to fight to make sure we have a guaranteed benefit to keep the security in Social Security.

A few short years ago, just after the 1932 stock market crash and the onset of the Great Depression, one of our Nation's greatest leaders, Franklin Delano Roosevelt, set out to create a program to provide peace of mind and a sense of security to America's retirees. During his crusade to create that program, FDR said there is no tragedy in growing old, but there is tragedy in growing old without means of support.

The program that he created to this day is the single greatest social insurance program in our Nation's history. Social Security has been a resounding success by keeping millions of people out of poverty in this country. We are here today to remind this country that women in particular benefit from the guaranteed benefit that is in Social Security, and we are going to fight to make sure it remains there for the women who follow us.

Months before the new program was enacted, back in the early 1930s, FDR laid out his vision of how important this program was and how it should be implemented. He said:

We can never ensure 100 percent of the population against 100 percent of the hazards and vicissitudes of life. But we have tried to frame a law which will give some measure of protection to the average citizen, and to his family against the loss of a job and against poverty-ridden old age. This law, too, represents a cornerstone in a structure which is being built, but is by no means complete . . . It is . . . a law that will take care of human needs and at the same time provides for the United States an economic structure of vastly greater soundness.

Those were the words of FDR in 1935. But today, this cornerstone, this basic American value, is now under attack.

We are here today to say we are fighting back. President Bush is currently traveling the country, saying Social Security is in crisis and needs to be radically restructured. I rise today to reaffirm the values and the spirit FDR laid out 70 years ago. Social Security has pulled seniors from poverty and put millions of retirees' minds at ease. America's insurance program is a guaranteed benefit all Americans can count on. It is a promise that, if you work hard, you will have some security when you retire or if you become disabled. It is a promise our seniors will not live in poverty. It is a promise if your spouse passes on, you will continue to have the support and the security you need.

Of course, this program is more than just security. It is about community. That is a value we as women share—community. In America, we believe it is important to take care of the generation that came before. It is important to guarantee them a quality of life. It is important that we guarantee benefits after a lifetime of hard work. I am concerned that President Bush's so-called restructuring will imperil the security of all Americans, from young workers who are going to retire decades from now to seniors who are retiring today.

The problem with this plan is it is not a guaranteed benefit. It does nothing to fix the long-term issues this system does face. It adds trillions of dollars to our national debt at a time we cannot do that any longer, and it is dangerous. We cannot and we will not let President Bush tear apart our Social Security system.

While some are trying to enrich Wall Street or push an ideology of market experience on our senior citizens, our priority in this discussion should be to ensure we are doing right by those who are relying on Social Security, from current workers to retirees, from the disabled to widows.

Current and future retirees need someone to stand up for them. If I see something that is going to hurt our workers, our families, our seniors, and women in particular, I want the Senate to know I am going to fight, along with my women colleagues, with everything I have.

Any discussion about Social Security that we have has to meet criteria if it means to be productive. You can call it a test. Any proposal we discuss must pass this test if it wants to move from this body.

First of all, we have to ensure Social Security has a guaranteed benefit. Second, we need to make sure Social Security protects workers when they become disabled. Next, we must protect against benefit reductions for women, minorities, and others. And we have to protect our budget from growing deficits. Anything short of this would be an unnecessary, dangerous gamble, as the Senator from Maryland has pointed out, unworthy of an important insurance program.

While we are at the beginning of this discussion in this body, my female col-

leagues in this body have worked for years to ensure some basic principles to follow as we move forward. The promise of Social Security is especially important to women because women face unique challenges in retirement. Women make less money than men throughout their lifetimes. Women leave the workforce to raise their families and stay home, something we should value in this country. Women live longer and women are more likely to suffer from chronic health conditions.

Even with those special challenges, today Social Security keeps millions of older women out of poverty. Its benefit formulas are today tilted to give a greater rate of return for lower wage workers such as women and minorities. If the President succeeds in privatizing Social Security, he will destroy the guaranteed benefit that low-wage earners need in their retirement years.

Social Security is not just a retirement program; it is also a program that protects disabled workers and protects their families. That is a value we women want to make sure we protect. If Social Security is privatized, what happens to a worker who is disabled and cannot contribute to her account? Today, under Social Security that worker is protected. But there is no guarantee under the Bush plan. President Bush could undo the progressive structure that older women in this country depend on today, and they should be able to depend on it tomorrow. This is one reform that could have disastrous results and we will not stand for it.

Under this administration, many things we take for granted—from overtime pay, to community police, to safe drinking water—have been threatened. Now President Bush wants to dismantle Social Security. I am here with the women, the Democratic women of the Senate, to say some things are too important to American families. Providing real security to all Americans is a basic value worth protecting. We will make sure President Bush does not gamble that security and break the promise Social Security keeps for millions of women and their families.

I yield the remainder of my time to the Senator from Maryland.

The PRESIDENT pro tempore. The Senator from Maryland.

Mrs. MIKULSKI. I thank the Senator from Washington State for her eloquent statement and her passion. I would now like to yield 10 minutes to the Senator from California, Mrs. BOXER.

The PRESIDENT pro tempore. The Senator from California is recognized for 10 minutes.

Mrs. BOXER. Mr. President, I thank my colleague Senator MIKULSKI for taking the lead in organizing the Democratic women. We don't always agree on every issue, but here is one that has united us. I think what is interesting about the Democratic women is we are very different. We are very

different ages. We range from the 40s to the 70s. We go from the west coast to the east coast, and places in between—the north and the south. When we can come together like this—knowing that some of us are progressive, some of us are more conservative—in a whole group and say we are going to protect Social Security, we hope it sends a very powerful message to the people of this country, particularly the women of this country and to their families, that we are going to be there for you. That is what this is all about.

Whose side are we on, anyway? I think in the battle over Social Security the sides are becoming very clear. You are either on the side of the families, of our people, young and older, or, frankly, if you follow money you are on the side of Wall Street because Wall Street is going to get billions of dollars if George Bush is successful, and it will come straight out of the pockets of working families.

I used to be a stockbroker so I have absolutely nothing against stockbrokers and I loved working on Wall Street. But I can tell you, and I am sure you know it is true, that markets go up and markets go down. I have seen elation and I have seen devastation. One thing I never saw was a sense of security that the stock market was going to be there necessarily when you need it to be there.

This year is Social Security's 70th birthday. It has been enormously successful. Before Social Security, over half of all seniors were poor. Today, 10 percent live in poverty. That is too much and we want to take care of that. What we do not want to do is go back to the days when 50 percent were living in poverty. So we, the Democratic women, are going to use every tool at our disposal to make sure the people of this country do not wind up in poverty.

Certainly we know Social Security needs adjustments, as your own family budget needs adjustments. We did a major adjustment in 1983. I was over in the House side. Senator MIKULSKI was over in the House side. With Ronald Reagan as President, we all got together, Democrats and Republicans alike, and we strengthened Social Security. Under Bill Clinton, we made some efforts to strengthen it again. The fact is, we have to strengthen Social Security, not destroy it. The fact is, Social Security is not a handout, it is a promise we make to working men and women in this country: You pay into the system, it is insurance, and it will be there for you in your retirement years.

Basically, when the folks on Social Security look at me and say, Will you fight for my Social Security? do you know what I tell them? You earned it, and of course I will make sure it is never taken away from you.

Unfortunately, President Bush's solution is to dismantle Social Security. He can call it anything he wants. He can say he is not going to change it for those already on it. But what about

those who are not already on it? Don't they have a right to have this insurance program, which has been there for so many years?

I will show you what the LA Times wrote. This is not a new issue for George W. Bush. He has been at it for a long time:

Even as a young man, Bush was sympathetic to revamping the program. When he ran for Congress in 1978 he argued that the program would go broke by 1988 if people were not given the ability to invest money themselves.

So here you have the candidate George Bush, way back in 1978, calling for privatizing Social Security. He said it would go broke in 1988.

That is what he said. He was wrong then and he is wrong now. We have to call it the way we see it. He underestimated the bipartisan will of Congress and President Reagan to keep Social Security for current and future generations. Instead of seeking to follow the path of Ronald Reagan, who was supposed to be one of his heroes, he is seeking a path that was plotted over 20 years ago to destroy Social Security. In the course of this debate—not today, at other times—I will share with my colleagues the roadmap that was laid down in the 1980s, a plan to destroy Social Security. George Bush was right there in 1978.

So he is misleading the American people by calling Social Security a crisis. According to the Social Security trustees, there is enough money to pay full benefits until 2042. According to the Congressional Budget Office, there is enough money to pay full benefits until 2052. So, yes, we need to make adjustments so we can keep this program secure, but we do not have to destroy it.

While President Bush is traveling around the country on Air Force One, telling people there is a crisis in Social Security—this is what is amazing—he is giving lip service to the real crises that are right here, right now, under his own nose and on his own watch. What about the crisis of the budget deficit? It is well over \$400 billion, that deficit. You want to talk about bankrupt? In my family, if you are spending that much more than you are taking in, you are bankrupt. Let's call it what it is.

What about the crisis of the trade deficit, and the plummeting of the dollar? What about the crisis of the IOU that is given to our kids and grandchildren the day they are born? As Senator REID has said, there is a birth tax on every child today—\$36,000 worth of debt. We know the President is going to have to borrow trillions for his plan.

What about the crisis of 40 million Americans without health insurance? What about the crisis of millions of Americans, including 10 million children, who live within 5 miles of a toxic waste dump that is wreaking havoc on their health? What about the crisis of being unprepared for a domestic terrorist attack because we have not in-

vested enough in rail security, port security, chemical plant security, aviation security, nuclear plant security? What about the crisis in afterschool programs, where hundreds of thousands of kids are left out because the President has frozen funding for 3 consecutive years?

I ask unanimous consent for 1 more minute, if I might.

The PRESIDING OFFICER (Mr. ISAKSON). Without objection, it is so ordered.

Mrs. BOXER. The President's solution to Social Security is to borrow, borrow, borrow, throwing us deeper into debt. I will tell you, this is not going to happen under our watch.

I will show you one more chart very quickly.

The plan the President has talked about a lot results in benefit cuts of 45 percent. The average yearly payment for a widow would only be \$5,700. Who can live on that? Certainly not those of us here or those in the White House. Widows would be 35-percent below the poverty line if the President's plan goes into effect.

We think Social Security Plus is a place we can start. Keep Social Security and strengthen it, as Ronald Reagan did. We can work together to do that for our young people. I think we can solve this problem and keep one of the greatest programs ever known in the history of our country.

I thank the Senator from Maryland. Ms. MIKULSKI. Mr. President, I thank the Senator from California for her longstanding commitment in standing up for what is right in this country, for her eloquent statement on why we need to preserve Social Security, and for outlining what is the real crisis in our country.

We are going to continue our debate with the other Democratic women.

Mr. President, how much time is remaining?

The PRESIDING OFFICER. There is 34½ minutes.

Ms. MIKULSKI. I thank the Chair. Mr. President, the distinguished Senator from Michigan is in the Chamber, a sister social worker, and actually a person who is licensed to be a do-gooder in our country. She is one who stood up for seniors and who spoke with such passion on the need for prescription drugs. I now yield 10 minutes to her to speak on Social Security.

The PRESIDING OFFICER. The Senator from Michigan.

Ms. STABENOW. Mr. President, I thank the dean of our women in the Senate, the woman who was first and blazed the way for all of us, the distinguished Senator from Maryland. I thank her so much for her leadership on this and other issues.

Our dean has said so many times, honor thy father and thy mother. They are not just important words in the Bible, but they are important words to live by. This debate about Social Security certainly reflects our values in honoring our fathers and our mothers. So I thank her for that.

I rise with my colleagues to speak today about the greatest American success story of our time, Social Security. Prior to Social Security, 50 percent of our retirees lived in poverty. Today, it is 10 percent. If that is not a great American success story, I don't know what is.

We are here unified to say that we want to keep that success story by keeping the "security" in Social Security. That is what this is about. We join in advocating for additional ways for people to save. I know my 20-something-year-old children are tired of hearing from me about the fact that they need to be putting dollars aside for the future and not just rely on Social Security.

There are ways we can come together. I was, frankly, disappointed last evening that we did not hear more from the President about ways we can come together to be able to develop those opportunities for everyone to create wealth and retirement security. But we don't do that by undermining the "security" of Social Security. Social Security represents the best of who we are, the best in American values. Our belief is that if you work hard and you play by the rules, you earn retirement security. We pay into that, all of us together pay into this insurance policy called Social Security. We deserve a basic quality of life and dignity in older years. Everyone does. And that comes from a joint community effort called Social Security, into which we all pay.

I think it is also important to look at the fact that Social Security is not just about tomorrow. It is an insurance policy, whether you are a 25-year-old like my daughter who is starting a career or you are a 78-year-old like my mother, whom I can barely keep up with, and who is in her retirement years. The fact is, Social Security is there for both of them. Heaven forbid that something were to happen to one of my children and they become permanently disabled. But Social Security would be there as a disability policy. When they have children, if something were to happen and they would no longer be able to care for their children, Social Security steps in as a life insurance policy.

Think about it. This great American success story is a retirement policy, a life insurance policy, and a disability policy. We all do this together. That is what the "I" in FICA means. It is an insurance system.

We want to build upon that just as Federal employees are able to build upon that with thrift savings, and there are others, such as 401(k)s, and so on.

By the way, that is on top of Social Security—not in the place of Social Security.

But we stand here today, particularly because we know this insurance plan is of particular importance to women in the country. In fact, 60 percent of all Social Security recipients are women;

1 in 10 adult women receive Social Security disability benefits. As we get older, since we tend to live longer—I think once you get over age 85, you in fact see that the vast majority of people on Social Security are women. This is a fundamental women's issue of economic security.

We stand here unified to say we will fight to keep the "security" in Social Security for every woman and their families.

In my home State of Michigan, many Social Security recipients, of course, are retired. We also have 64,000 people who receive benefits either as a widow or widower, a spouse or child of a retired worker or disabled worker. Again, the majority of those are women and children.

We know that strengthening Social Security will require a lot of hard choices. We stand ready to join with colleagues on the other side of the aisle and the President to do that. But first we have to get this notion of privatizing Social Security and undermining it, unraveling it, off the table.

I suggest one approach for us to look at. This is something I feel very strongly about because we make decisions every day on values and priorities. Just like all of us do, we open our checkbook and we pay the bills and write checks. That reflects our values and priorities.

Right now, when we look at the overall Federal revenue in the budget, as I do as a member of the Budget Committee, we have to reflect and look at what we are really saying about our values and priorities for the future.

Consider the fact that keeping Social Security secure for 75 years requires only one-third—about 33 percent—of the costs of the tax plan enacted by the Congress and President Bush for the wealthiest Americans. Think about that.

In other words, if we were to ask those who are most blessed in this country through hard work, through inheritance, through other means, those who are most blessed with retirement security, if we asked them to keep 70 percent of that instead of 100 percent—70 percent is huge. It is billions of dollars in tax cuts. But if they kept only 70 percent of that over the next 75 years, you could keep the "security" of Social Security for 75 years.

To me, that makes sense. If we are really about making decisions and investments for all Americans, it certainly makes sense. And it certainly makes more sense than privatizing Social Security.

Here is why. Privatization will cut benefits by one-third to one-half, even for working women who choose not to risk their money in privatized accounts.

This is important. We are not just talking about cutting benefits for those who choose to privatize accounts but for those who do not choose to go this direction. The average retiree would lose more than \$152,000 in bene-

fits over the course of a 20-year retirement—\$152,000 in benefits over 20 years.

An insurance policy was never meant to be a high-risk investment. We encourage people, on top of Social Security, to make investments. But this was meant to be the foundation for retirement.

I wonder where women would be without the "security" in Social Security today.

Beyond the deep benefit cuts and added risks, privatization would add \$2 trillion in debt over 10 years. That is almost a 50-percent increase of the debt we have now, which is the largest in the history of the country. It is unbelievable. Unfortunately, much of that would be borrowed from countries such as China and Japan. That raises a whole range of issues economically in terms of our national security.

I think most women would agree that we don't want to pass the debt on to our children and grandchildren, forcing them to bear the burden of ever more debt and higher taxes.

I stand here today with my colleagues to say we will fight to keep Social Security secure, and then we will join in those efforts to both strengthen Social Security in the long run but also to create other opportunities for people to be able to save, people to be able to create wealth, to be able to have retirement security. If we take privatization off the table, which we know doesn't solve any of the problems of Social Security—it only creates more risk and uncertainty—we can then work together to get something done.

That is what people expect us to do. That is what we are here today to pledge to do. The women in this country, every one of our daughters and our granddaughters, and our mothers and our aunts, and all of those girls yet to come, as well as their brothers, deserve a secure retirement. They deserve that under Social Security. They earned that. They pay into it, and they are counting on it.

We are going to stand ready to make sure Social Security remains secure.

Ms. MIKULSKI. Mr. President, there are other Democratic women who wish to speak. They are sprinting from the prayer breakfast. I notice that the senior Senator from Arkansas is here, Mrs. BLANCHE LINCOLN. I will be yielding her time.

I want to note for those observing the proceedings that Senator LINCOLN is a member of the Finance Committee. She is the only Democratic woman on the Finance Committee. We look to her to champion our position, and at the same time we recognize her long-standing commitment to the people of Arkansas—especially those people who work in those rice mills, end up with a bad back, varicose veins, dirt under their fingernails—and their Social Security.

I yield 10 minutes for her to tell us about it.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mrs. LINCOLN. Thank you, Mr. President. I especially thank my colleague from Maryland, Senator MIKULSKI, who has just been a tremendous mentor to me and so many others with her great leadership. I very much appreciate all of the female Senators who are here to join with us today—to join our voices and make sure that as we begin this discussion on Social Security, which is such a vital program for not just the elderly of our Nation but the disabled, as well as the survivors, that we do it with thoughtfulness, that we do it in reflection of the people we represent, not only their hardships but, more importantly, the dedication they have given to raising the families of this great Nation, and providing the kind of unconditional love and support that makes up the fabric of this great country.

We are proud to be here on the floor of the Senate. I am proud to rise today to speak about the enduring commitment that the American people have made to themselves and to future generations through the Social Security Program.

We find oftentimes that people like to grumble and gripe about government. And we know that government can at times be a little bit rusty, that it is sometimes awfully large. We find that it in many ways may not be a one-size-fits-all, but there is one thing for sure, we know what this country has done right. That is Social Security. It is a program that we can all be proud of and which has allowed us as a nation to espouse the values that are at the core of our being.

I have heard my colleague from Maryland say all the time, honor thy father and thy mother.

Here we have designed a program in years past to allow us to espouse those values that are so important to us; that is, to care not only for our seniors, our mothers, fathers, grandfathers, and grandmothers but also those who might be less fortunate; those who are in dire need of us being able to wrap ourselves around them and provide them the kind of quality of life that we as Americans are proud of—the disabled, the survivors. This is one program we got right. Government got it right.

Has our Nation changed over the last 70 years? Absolutely. And we have an opportunity in a very thoughtful way to look at how we can build upon this program to make sure it meets the demands of today and tomorrow.

Almost 70 years ago, the Social Security Act was signed into law. This law did embody the will of the American people to make sure those who are near and dear to us—the elderly, the sick, the widowed, the orphaned—would not lapse into poverty or deprivation on our watch. That is our charge again today. We are up to the job if we are willing to work together and remind ourselves what our purpose is.

We are now faced with long-term challenges to this very successful program in part because our Nation is

growing older. Folks are living longer. My husband's precious grandmother, who turned 107 last year, sat in front of me in church on Sunday, a remarkable woman with an unbelievable quality of life. She does the crossword puzzle every morning, plays bridge 4 days a week, and I make sure she has a good balanced diet of fruits and vegetables. She is remarkable. There are many more centenarians in this country living healthy lives. They need assurance they will not have to live in poverty.

How we deal with these challenges will affect millions of Americans for generations. It is not just those in the present day, the working individuals of today and the children of today who will be the adults of tomorrow, but it is just as important to me as a young mother of small children that the elderly in my community—my mother, my mother-in-law and father-in-law—have the advantage of this program to provide them the assistance they were promised.

I grew up in a small community within walking distance of both sets of my grandparents. It was easier for us then in those circumstances to go over and care for them, to be able to be a part of their lives. Our worlds are not like that anymore. How many live far distances from our parents or our children? How difficult is it to care for them?

This is a program that ensures, whether you live next door or you live 10 States away, that your parents, the elderly of that community, will have what they need.

I am certainly proud, again, that it is not just the elderly we take care of but the survivors as well as those who are disabled. A young woman on my staff mentioned to me the other day her father died the year she was born and she received those benefits, which was the vision of this Nation and its values, wrapping its arms around her mother and those children to say: Your Nation will be there for you to help you care for these precious children.

Today I will take a few moments to speak on behalf of the millions of women who never made much money during their working lives perhaps, who now depend heavily on their Social Security benefits and could be especially hurt by privatization.

In my home State of Arkansas, more than 272,000 women rely on Social Security benefits. Without Social Security, virtually two-thirds of the elderly women in Arkansas would be forced to live in poverty. Many of those women use Social Security as their only source of income.

I can remember going to the store with my mother and being a bargain shopper. I find myself as a young mother doing the same thing. But it would break my heart to think that my mother had to choose between food, utilities, or pharmaceuticals. Many women find themselves in that position even today. If we privatize Social Security, that will explode. Many of these

women do not have trust funds or stocks or bonds to rely on. Their money was spent in different ways. They did not have a lot of expendable money to put into savings accounts. It was used to feed their children, to place a roof over their heads, to educate them, to send them out into the world with hope for a brighter future. They spent their time, their money, their energy, and their soul in creating the lifeblood of this Nation. They also may have spent down their resources to care for a spouse or perhaps a disabled child. These women went to work, and they played by the rules. They baked cookies for the Cub Scout meetings, they paid their taxes on time, they supported their husbands, and they supported their families. And when they became eligible to receive their benefits, Social Security was there for them.

I have heard the rhetoric that those who are close to or in retirement will still receive their full benefit under privatization. What we never hear, however, is that under privatization proposals, younger workers will have their benefits cut significantly. When we talk about privatization and allowing the diversion of payroll taxes into private accounts, we have been told by the Congressional Budget Office and actuaries that there is no way we can do that without cutting benefits, increasing taxes, or creating an enormous debt. We know that when we borrow dollars and we create debt, we are increasing taxes on someone. It will be the children down the road who have to pay that debt.

We have to take seriously the consequences of the decisions we make on this program. Each Member in this body knows our decisions are based on our values and our priorities. But those decisions have real and substantive consequences, and we must remember that every stretch of this debate and understand what those consequences could be. It is not acceptable to tell retired women that we will support you in your golden years, but your daughter and your granddaughter are on their own. We will privatize this system, and we do not know what will happen, so your daughters and granddaughters will be on their own.

Seventy years ago, the American people made a promise to protect future generations of Americans from poverty, and for 70 years the American people have kept their word. We are going to do no less. That promise has allowed hundreds of thousands of low-income elderly women in Arkansas to live lives of dignity. That is what we are here to ensure.

Many women in Arkansas who receive those Social Security benefits live in rural areas. The money they receive is used to buy groceries, to have lunch at the local diner, or to pay their light bills. It might sound like a small amount to some, but Social Security benefits brought almost \$5 billion of revenue to small towns in Arkansas. If

we cut back those benefits, remember what it is going to do to Arkansas and other rural States where there is a disproportionate share of elderly low income who are spending every nickel of that Social Security check to make sure they can keep body, soul and mind together. It is a tremendous amount of revenue to our States, and they are heavily indebted to those citizens who participate.

Addressing only a couple of issues here is going to be our downfall. We have to focus on everything. We need to make sure we solve Social Security and shore it up for future generations and current beneficiaries, but we cannot fail to see this is a dual path and we have to provide the incentives for personal savings. We must continue to work to make sure that beneficiaries continue to receive 100 percent of the benefits they are due and that future generations are assured that the program will be able to provide the economic security and insurance for them and for their grandchildren. The promise of Social Security should be as good as the promise of a better life that a mother gives to her child.

I yield the floor.

Ms. MIKULSKI. How much time remains?

The PRESIDING OFFICER. Ten minutes and 50 seconds.

Ms. MIKULSKI. We note that Senators CLINTON and FEINSTEIN are on their way. We now note that we have two wonderful women representing Washington State.

We now turn to the junior Senator, Ms. CANTWELL, and I yield her 7 minutes.

Ms. CANTWELL. I thank the Senator from Maryland for her recognition and hard work on this issue. I thank her for the recognition of the fact that we have two women Senators from Washington State. We achieved a milestone this past November when we elected a woman Governor, making us the first State in the Union to have two women Senators and a woman Governor. We are going to speak loudly about the issues impacting women.

I come to the Senate floor to join my women colleagues. I could, I am sure, expound on a lot of comments that have been made in the last several weeks that have gotten some notoriety: the fact that somehow women may be genetically different than men and not be able to excel in math and science or the comment that a colleague made about the fact that now we may be getting closer to pay equity in the future.

The bottom line of this debate on Social Security reform has to be that women are impacted with greater significance because of their longevity in life and because of the shortfall in pay equity that still exists in this country. Where does that leave American women when it comes to Social Security reform?

I could talk a lot about whether the private accounts are great foundations

for this country. I have some grave concerns about them. I also believe at this point in time taking money from the deficit, basically adding to our deficit and paying into what are to be these private accounts may not be in the best interests of the American people.

The point I make this morning is that we are at a time in which women are still getting the short end of the stick in this country. If we want to think about anything in the Social Security reform debate, why don't we think about the way Social Security and cost-of-living adjustments are calculated. Social Security and cost-of-living adjustments do not take into consideration that seniors, older women, are living longer and actually have a greater percentage of their incomes go toward particular goods and services to a larger degree than young people's incomes do. Try buying prescription drugs, try balancing things in retirement and living off of the benefits.

Women are particularly challenged, but older women, being the most impacted by Social Security, will continue to have this challenge for decades to come. So the benefit structure of Social Security is very important. The current pace of change that is happening in the way our economy is transitioning has not necessarily impacted that. In 1963, women earned 59 cents to every \$1 men earned. It is true women now earn considerably more than they did in the 1960s and 1970s, but in spite of the steady growth of earnings, the pay gap between men and women has basically been stalled for the past two decades, averaging slightly under 20 percent less than men.

The Senate may be a very unique institution in that it is the only place where you actually have a guarantee of pay equity between men and women. Yet in 2003 women actually saw their earnings decline for the first time since 1995. That means real median earnings of men who worked full time year round remained unchanged in 2002 at roughly over \$40,000, and real median earnings of women with similar work experience actually decreased 0.6-percent to about \$30,000. As a result, women still only make 76 cents for every \$1 that is now earned by men. That is down from what it was in 2000 at 77 cents. We are going in the wrong direction. And now someone wants to suggest that we tinker with Social Security benefits. Think of my mother and the support she had as a woman getting Social Security also from her husband and his Social Security, not having worked, or women who have not worked all their lives in the work place and, instead, being full-time mothers. Now we will say we will calculate Social Security on your earnings. Great. Well, let's have pay equity for women so it is calculated on an equal footing. We are living longer, we are earning less, and the President's proposal will impact us the most. Related to the pay

equity statistics I just mentioned, for women's families, this means \$24 less a month than men to spend on groceries, child care, and other expenses. In fact, the Institution of Women's Research did an estimate that families in America lose over \$200 billion of income per year in this wage gap because of unequal pay that women's families lose, an average of \$4,000 annually.

I am asking my colleagues, at a time when we are talking about how to secure the future, how are we going to secure that future for women who are living longer, in retirement, who have this inequity in the system? That is why I am going to introduce a bill later today basically suggesting that we change the cost-of-living index to specifically reflect the current costs that women are experiencing—women and men, alike—in retirement age.

But I think what we need to do now is look at this legislation that is before the Senate and say to ourselves, How is it fair to have the inequity with women when we are not doing anything to close the wage gap? It is actually going in the wrong direction. That includes making sure women in retirement, in the retirement structure of Social Security that we talk about and consider before this body, actually reflect the reality that is happening in America today.

I have talked to many of my constituents about this issue. I am sure we are going to talk to many more over the next several months. One of my constituents, a woman I happened to meet in a local convenience store, said to me: The thing I want is my Social Security money. They have paid into the system. They want something for it.

Frankly, they think when we take Social Security and use it off-budget, to basically say this is how we are covering our huge deficit, that is basically taking from Social Security and not protecting it. What they want to know is, Why don't we get a better return on our investment? Why don't we take, just like a retirement account that she or her husband gets, or a State pension program that gets a higher return, and, basically, take the money that is paid into Social Security and get a higher return on it as well? Yes, and I would say some of my constituents probably think they themselves could do a good job at making private investments. But they do not necessarily think everybody in America will be able to make those decisions at a time in which our economy continues to sag, and there are some people who are unemployed and not fully benefitting and paying into the system, or, as I said earlier about the income-earning disparity between men and women.

The PRESIDING OFFICER (Ms. MURKOWSKI). The Senator has used 7 minutes.

Ms. CANTWELL. Madam President, if I could ask for 30 seconds.

Ms. MIKULSKI. Madam President, I yield 30 seconds.

Ms. CANTWELL. Madam President, I thank the Senator.

As we go into this debate, the women are going to be loud and clear. This plan for Social Security impacts us to a greater degree than our male counterparts because of our longevity and because of the disparity in wages.

Let's talk about how we make Social Security better for women and for all Americans.

SOCIAL SECURITY AND THE IMPACT ON WOMEN

Mrs. FEINSTEIN. Mr. President, I come to the floor today to discuss the significance that Social Security has for women.

Before the Social Security Act was signed into law by President Franklin Delano Roosevelt nearly 70 years ago, a majority of elderly women in America were living in poverty. If a woman's husband died, she often became destitute or, if she was lucky, went to live with her children or relatives.

The creation of Social Security changed these women's lives for the better. Today only one in five elderly women living on their own is in poverty, though, of course, we wish that number were zero.

Elderly women are now able to live independently and with dignity because of Social Security. We cannot forget the extent to which Social Security has improved the lives of women, and all Americans.

Since its beginning, Social Security has been a mainstay determining what kind of retirement security an individual will have. And because women rely more heavily on Social Security than men, it is a bigger factor in determining their quality of life.

The plan that President Bush is putting forward to reform Social Security would dismantle the most important social program in our Nation's history, upon which millions of Americans rely for their retirement.

I am concerned about this plan because it does not protect the fiscal health of Social Security and would dramatically add to the national debt.

This could be disastrous for women as well as children and minorities because these Americans rely most heavily on Social Security.

Nearly half of all unmarried women 65 and older depend on Social Security for more than 90 percent of their total income.

An even greater number of minorities rely so heavily on Social Security with 66 percent of Hispanics and 74 percent of African Americans in the same category using it for more than 90 percent of their total income.

Additionally, more children are part of families that receive some of their income from Social Security benefits than receive Temporary Assistance for Needy Families.

All of this is underscored by the fact that women face greater economic challenges in retirement than men: