The PRESIDING OFFICER. The Senator is correct.

SOCIAL SECURITY

Mr. THOMAS. Mr. President, I want to talk about a bill introduced on Friday on Social Security in which I and other sponsors were involved. I mention it because it seems to me that it is one of the issues that is most important. I just came back from Wyoming, and I talked with folks about issues. Social Security is one of those that is, of course, a top priority.

Obviously, most everyone knows Social Security has to be changed if we are to fulfill the goals all of us want, and that is to protect Social Security for those who are now beneficiaries, to keep it going for those who are now paying in and will pay in for many years and can then expect to be beneficiaries. Those are the things that have to happen, and there have to be changes to cause that to happen.

We have a rapidly aging population. When we started Social Security, there were some 30 people working for every one who was drawing benefits. An individual paid $30 a year into Social Security in the 1930s. Then we got to where there were five people working for every one who was a beneficiary. Now I believe it is less than three, and we will soon be to the point where there will be one individual working for every one person drawing benefits. We have to make changes. Of course, people are living longer, so that also brings new demands on the programs.

What are the options? There are several that are fairly obvious, some of which are not particularly popular. A tax increase: We already pay 12.5 percent of what we make into Social Security. That is a rather high percentage. For many people that is the largest tax they pay. So tax increases are not particularly a good option.

We could cut benefits. I do not think people generally want to cut benefits. There may be some changes made in benefits because people are living longer and there are changes in our lives.

The third alternative is one which I think probably has the most appeal, and that is to get a higher rate of return on the money we are putting into Social Security and have been putting into it for some time. That is the part of the bill we have introduced.

It is a bicameral, bipartisan bill that enhances the program through private accounts. It will take a portion of the money you and I put into Social Security—I believe it is about 2 percent of the 12.5 percent—and that becomes a personal account for each person. It can be invested then at the direction of that account owner. It can be invested in equities, stocks, it can be invested in bonds, or it can be invested in a combination of those things. It will be invested by a private investor such as the Federal employees program is now. You will have a broad choice. The owners will not be doing the investing, but they will be choosing the kinds of investment they want.

This can then accumulate as a nest egg for the owner. If the owner is unfortunate not to live long enough to receive the benefits that will accrue to his or her estate, it will be the owner's.

We have been talking a lot about a safety box, some way to take the money that comes in to Social Security and ensure it is used for that purpose and not spent for some other purpose or not loaned to the general fund. This probably and certainly is the best way to do that.

I make the point that we are not looking at total privatization. Some people accuse us of that. That is not the case. It is a partial privatization. It puts money in so it can earn more than it has earned in the past. As most people understand, excess in the trust funds now has to be invested in Government securities. It has a relatively lower return, lower than if you and I invested those securities. This is a change for improvement.

We need to work on the lockbox. We tried five times to pass the lockbox legislation to have some way to ensure Social Security funds coming in are not expended for other things, and that they are, indeed, kept for the purpose of maintaining and strengthening Social Security. That is what we want to do.

There are some other good features of the plan. It is more progressive. It guarantees larger benefits for low-income workers. It increases widow benefits, which has been unfair in the past. It repeals earnings limitations, if you are a beneficiary and choose to continue to work. In, in fact, there are several incentives for continuing to work. Since people are living longer and are healthier, there is more reason and opportunity and willingness to work.

This bill is designed to protect current retirees. Current beneficiaries will not be affected by the changes. It is aimed primarily at young people who are beginning to pay into the program. Almost all young people 20 years old say: We probably won't get anything out of this; all we will do is pay. That is very unfair, and we can change that.

There is a great deal of talk about doing something with Social Security, but, frankly, the administration and our friends on the other side generally have not come up with a plan. Now we have a bipartisan plan which is before the Senate. We can do something that will make the changes we propose to make and which are good for the American people.

Mr. President, I yield the floor.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The distinguished Senator from Iowa is recognized.

(The remarks of Mr. GRASSLEY pertaining to the introduction of S. 1390 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

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

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

The legislative clerk proceeded to call the roll.

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

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

Mr. DOMENICI. Mr. President, what is the pending business?

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business now closed.

INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 2000—MOTION TO PROCEED

The PRESIDING OFFICER. The Senate will now resume consideration of the motion to proceed to H.R. 1555, which the clerk will report.

The legislative clerk read as follows:

Motion to proceed to the consideration of a bill (H.R. 1555) to authorize appropriations for fiscal year 2000 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, frankly, this is a very important debate that starts today on a very important bill, H.R. 1555, and there is a very important amendment that we will allude to and talk about this afternoon with reference to reorganizing the Department of Energy in ways that have been suggested by many in order to minimize security risks in the future and maximize the efficiency and effectiveness of the department of the Department of Energy that works on the nuclear weapons installations, facilities, and research within that department.

I note the presence of Senator LEVIN on the floor, and I want to be as accommodating as he would like in terms of his using time. I am prepared to speak a lot today about history and the like, but whenever he is ready, I will be glad to yield to him.

I am going to start today's debate by inserting into the RECORD a June 30, 1999, column from the Wall Street Journal, written by Paul C. Light. He is a senior fellow at the Brookings Institute and the author of "The True Size of Government," Brookings, 1999.

I ask unanimous consent that that article be printed in the RECORD.

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

LOOSE LIPS AND BLOATED BUREAUCRACIES

How can Washington prevent future security breaches like the one at the Los Alamos nuclear laboratory? Last week former Sen. Warren Rudman, chairman of the President's