know. I commend the United States Air Force, and all the other armed services in support of Operation Allied Force.

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IN OPPOSITION TO H.R. 4680, REPUBLICAN PRESCRIPTION DRUG BENEFIT BILL

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Texas (Mr. BENTSEN) is recognized during morning hour debates for 5 minutes.

Mr. BENTSEN. Mr. Speaker, later this week the Republican leadership will bring to the floor a bill purporting to be a new prescription drug benefit for America's senior citizens. In reality, it is a bill which is fatally flawed, providing a political fig leaf for Republicans while providing false hope to the senior citizens we all represent who are feeling increasingly pinched by ever rising prescription drug costs.

Mr. Speaker, the Republican bill fails both in its structure and its scope, and it as well as any plausible alternative as proposed by Democrats is subject to an artificial monetary constraint imposed by the Republicans in their budget resolution which is both disingenuous and hypocritical.

In their desire to do anything but create a real prescription drug benefit under Medicare, the Republicans' Rx proposal creates a Rube Goldberg structure that involves subsidizing insurance companies to do what they do not want to do while creating a new government bureaucracy in Medicare. The Republican plan is modeled after the Medicare Choice structure of enticing private insurers to take over the administration and delivery of benefits in lieu of Medicare for a profit. It pays insurers to create a prescription drug plan, but, while it limits the coverage, it does not limit the premiums that can be charged to senior citizens. And it empowers this new bureaucracy, the Medicare Benefits Administration, to increase the taxpayer subsidy to the insurance companies if they are unable to develop a plan which meets both the basic structure and is affordable. Thus, monthly premiums to seniors are allowed to rise far higher than the $40 a month assumed by the authors of this flawed bill, and insurers are entitled to higher taxpayer subsidies if they cannot make enough money.

Mr. Speaker, your own press secretary told the New York Times this Sunday that the insurance market for prescription drugs for senior citizens would develop because under your leadership's plan it would be, quote, awash in money. For the record, Mr. Speaker, that is the taxpayers' money. The fact that the Congressional Budget Office scored this proposal at all is astounding given the open-ended nature of the program. But perhaps they see something the Republican sponsors missed or are not telling us; that is, the program will not cost too much because health insurance companies do not like it and will not do it. And like Medicare Choice, once you start restricting the Federal subsidy, profits dry up and insurance companies pull out. Just witness the exodus from Medicare managed care after the 1997 Balanced Budget Act restricted the ever increasing adjusted average per capita cost.

The Republican leadership's prescription drug plan were it to ever be enacted into law would fail because it is designed in such a way that senior citizens will not be able to afford the premiums and insurance companies will not be able to make a profit. Moreover, it spends taxpayer dollars to subsidize insurance companies to do what they do not want to do and what Medicare can do and that Congress will ultimately restrict.

Mr. Speaker, I hope that the Republicans give an opportunity for a fair substitute that brings the benefit of prescription drugs to America's senior citizens.

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SOCIAL SECURITY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Michigan (Mr. SMITH) is recognized during morning hour debates for 5 minutes.

Mr. SMITH of Michigan. Mr. Speaker, I want to take a couple of minutes to talk about one of America's most important programs and that is Social Security. Looking at this chart, we see the pie graph of all of the Federal Government's $1.8 trillion Federal spending. The bottom piece of pie represents Social Security. Social Security now is 20 percent of everything that the Federal Government spends. Medicare is at 11 percent, and both programs are growing very rapidly in terms of outlays. Senior programs now utilize over 50 percent of total Federal spending. Because of the demographics, because of the fact that individuals are living longer and because of the slowing down of the birthrate over the years the problem is exacerbated. When the baby boomers retire we will have this exceptionally large number of individuals born shortly after World War II retire. They will change status from paying tax into the Social Security System to retirees that take out, along with the fact of increasing life span that is going to additionally complicate the challenges of keeping Social Security and Medicare solvent.

In this morning's Washington Post, a news piece quoted Vice President GORE as saying that Governor Bush's plan, if he does what he says and protects all current retirees against having any cut in benefits, it would take 14 years off the already short life, and Social Security would go bankrupt by 2023. This statement is false. Most every bill introduced in the House and Senate in fact do make sure there is no reduction in retirees benefits. To the contrary, the Vice President is suggesting that we take the Social Security surplus and pay down the debt held by the public. That means, if you will excuse the analogy, using one credit card account to pay down another credit card account. Mr. GORE is suggesting, taking the Social Security Trust Fund surplus money and using that money to pay back another debt, a debt held by the public. But that does nothing to solve the long term solvency. At such time there is less Social Security tax revenue coming in than is required to pay benefits, in about 2014, the debt starts increasing again and as you see on this chart, debt soars, and we leave our kids and grand kids a huge mortgage. That is why it is so important that we have some structural changes to keep Social Security solvent.

I hope what the Vice President was quoted in the newspaper was not a correct quote, because the statement has been repeatedly demonstrated as false by the Social Security actuaries themselves.

There are several plans. In fact, most of the plans that have been introduced in the Senate, most of the plans that have been introduced in the House are plans that reflect what Governor Bush has suggested. That is they actually make sure that we do not cut benefits for existing retirees and we do not cut benefits for near-term retirees. I will give a few examples. The Senate bipartisan Social Security plan introduced in the Senate by six Senators; the gentleman from Ohio (Mr. KASICH's) plan; and my Social Security proposal contains no changes to the benefit levels of current retirees and all of these proposals have been certified by the Social Security Administration as keeping Social Security solvent. So to play light with such an important program I think does a disservice. It would have been my hopes that President Clinton and Vice President GORE would have taken the opportunity in the last 2 years to move ahead with plans and proposals to keep Social Security solvent. With White House leadership, we could have done that this year. It is going to take the leadership of a President to bring Democrats and Republicans together to make sure that we save this important program. Simply by creative financing such as adding ''I.O.U.s'' to the trust fund, that does not honestly deal with the fact that there is going to be less revenues coming in than what is needed to pay benefits is a disservice because it does not solve the problem.

Briefly, I want to go over my Social Security proposal, the Social Security Solvency Act for 2000. It allows workers to invest a portion of their Social Security taxes in their own personal retirement accounts. I start at 2.5 percent. It may be appropriate that government defines limits on how you invest that money to make sure they are safe investments. It won't take much investment wetdown to make sure that it brings in more money than the 1.7 percent that economist predict workers can expect as a return on the payroll