

bring that budget back into balance and, in fact, the Congressional Budget Office at that time projected that we were on course to have the publicly held debt, the over MMMM\$6 trillion of accumulated debt, paid off in about 10 years, by 2011.

Now, not even one and a half years later the Congressional Budget Office projects that under the Republican budget passed here in March, there will be a \$1.8 trillion in budget deficit over the next 10 years. So instead of paying off our Nation's debt by 2011, under the Republican budget the publicly held debt will stand at nearly \$3 trillion.

I can remember when they took the debt clock down in Time Square and everybody across America cheered. Well, I would encourage those folks up on Wall Street to put it back up because it is growing again.

Now, what is the biggest reason for this radical reversal in our Nation's financial health? Primarily, the Bush tax gives away mainly to the super rich.

Now, what does this burgeoning public debt represent? First and foremost it means Social Security trust funds are being drawn down to pay for those tax breaks. And what is really amazing is that the Republican majority here in this Congress voted seven times to protect the Social Security trust fund in a lockbox. They said they wanted to ensure that not a penny of the Social Security surplus would be used for other programs. They have vowed that every penny of the surplus would be used solely to buy back outstanding Treasury bonds in a manner that would shore up Social Security for the future. So the Republican budget they passed in March does not simply break the lockbox and dip into the Social Security surplus, it calls for a grand and extended raid, tapping the surplus every year of the next decade. The timing could not be worse. We must balance the Federal budget and protect Social Security surpluses for the 44 million baby boomers set to retire over the next ten to 15 years. Working families have earned a secure retirement and we must put Social Security solvency first. Congress is the main protector of Social Security. It is the people's program intended by Franklin Roosevelt and every Democratic president since, to allow generations of retirees to live with independence and dignity. And it is time for the Republican majority to stop raiding Social Security. But so long as they continue to do so I will be down here every week telling the American people exactly how much they have taken from the one remaining portion of the Federal budget that is in surplus and that is the trust funds.

Last week we reported that they had taken as of June 5, \$207,232,876,712, which last week amounted to about \$717 per American. This week, they have now taken over \$5 billion more.

As of June 11, 2002 they have now dipped into the trust fund

\$212,246,575,342 averaging about \$754 per American. I do not think that this is responsible budgeting. I do not think this is what the Republican majority promised. I am generally not quite this partisan on the floor of this Congress. However, when it comes to Social Security and Medicare, and what it has meant to lift half a Nation out of poverty, there is absolutely no reason that Kenneth Lay and his likes should get a \$350 million tax refund while average Americans are having their future retirement funds raided every single week. So I would just ask those who may be listening in New York City, if you could find that old debt clock and put it back, I think we need to tell the truth to the American people. It is time that we begin putting money in the trust fund, not drawing it down for purposes that are unrelated to the purpose for which it was originally organized.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Members are reminded to address their remarks through the Chair.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. MILLENDER-MCDONALD) is recognized for 5 minutes.

(Ms. MILLENDER-MCDONALD addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

WOMEN AND SOCIAL SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida (Mrs. THURMAN) is recognized for 5 minutes.

Mrs. THURMAN. Mr. Speaker, before the gentlewoman from Ohio (Ms. KAPTUR) leaves, I want to congratulate her on her presentation. Social Security is a very important issue, and certainly I think she laid out to the public what is happening here in Congress. And I agree with her that we should not be spending the Social Security money on anything other than Social Security. And quite frankly, this is something that almost every Member of Congress, both Democrats and Republicans, agreed to last year by overwhelmingly passing the lockbox for Social Security and Medicare. Unfortunately, as has been pointed out, the Social Security trust funds would lose two-thirds of its surplus under the President's budget. And the Congressional Budget Office projects that \$740 billion of this money would be used to fund things other than Social Security benefits such as the tax cuts.

In the Nonpartisan Center on Budget and Policy Priorities, they estimate that the size of the tax cut is more than twice as large as the Social Security financing gap. So we could have

used these resources that we were talking about and we continue to talk about to actually fix the Social Security instead of being used for this tax cut.

I think we all need to remember that our seniors continue to remain secure in their retirement, and I particularly want to talk about women as we have potentially come on a debate about the privatization proposals that many of us believe needs to be talked about a little bit, and certainly the concerns. But let us look at women in this country and how they rely on Social Security.

Women rely actually more on Social Security income than men. Almost two-thirds of all women 65 years and older get at least half of their income from Social Security. For one-third of these women, Social Security makes up 90 percent or more of their income. Guess what? Women, we live longer than men. We all know this. And, in fact, we live about 7 years longer. Fully 72 percent of Social Security recipients over 85 are women. And on average, women over age 85 rely on Social Security for 90 percent of their income. I will repeat that, 90 percent of their income. Traditional Social Security continues to pay benefits as long as the beneficiary is alive.

Now, when we start talking about private accounts, we honestly believe that women risk exhausting their savings in their most vulnerable years. Women take time out of the workforce to care for children and elderly parents. We have all been there; we have heard those stories. As a result, they rely much more heavily on their husband's Social Security benefits. Over 60 percent of women on Social Security receive spousal benefits while only 1 percent of men receive such payments.

So why is it important that we preserve traditional Social Security for women? Unlike private accounts, Social Security is automatically adjusted for inflation. For women, who live longer lives, private accounts run the risk of being worth less due to inflation or devalued accounts.

Well, then why are we having this debate? Well, the President in his guidelines for the Social Security Commission stated that we, in any proposal we create, must not invest Social Security dollars in the stock market. He also stated that the Social Security payroll taxes must not be increased. However, the President wants people to be able to use a portion of their payroll taxes for investing in stocks. The commission, which was commissioned by the President, recommended three options for reforming Social Security. But let me warn you that all three options divert at least some percentage of payroll tax to private accounts.

□ 2015

Diverting as little as 2 percent to private accounts the commission, and the commission recommended as much as 4 percent will result in a loss of trust funds of \$1.1 trillion dollar over 10

years or at 1 percent \$558 billion over 10 years. That money has already been designated to pay for benefits for future retirees, not to mention the fact that we do not have \$1 trillion left because it has been spent on the tax issues.

One option affected seniors' benefits to such a degree that the Wall Street Journal wrote, "Benefit options would be changed in so many ways that grandma's head would spin." The President's guidelines also leave only one option for supporters of privatizing Social Security, and that would be to cut seniors' Social Security benefits.

Why in the face of a recession and the impending retirement of baby boomers would we take the money to be paid to future retirees and gamble on it? I ask the American people that question. I hope we stay tuned for this debate on privatization and we say "no" to privatization.

The SPEAKER pro tempore (Mr. JEFF MILLER of Florida). Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

(Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. LOFGREN) is recognized for 5 minutes.

(Ms. LOFGREN addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

IMPACT OF SOCIAL SECURITY PRIVATIZATION ON AFRICAN AMERICAN WOMEN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON) is recognized for 5 minutes.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise today to address the devastating impact that privatizing Social Security would have on women, most especially African American women.

Social Security is particularly important to women, especially in my home State of Texas. Without these vital retirement benefits, 564,000 women in the Lone Star State would be classified as poor according to a report released by the Senate for budget policy and priorities.

Currently, Social Security benefits are progressive, that is, those with low wages receive a larger percentage of benefits relative to their earnings than higher-income individuals do. This system of progressivity, combined with a cost-of-living adjustment that increases benefits every year, strengthens the safety net for those who are the most economically disadvantaged.

Privatization flows from concerns that many people have about the fu-

ture of Social Security. Some of those concerns are founded and some may not be. We are all well aware that as the post-war baby boom generation ages, the numbers of retirees relative to the number of workers will increase. These are facts that cannot be changed. However, modest changes implemented immediately can give people time to plan for the future and would take us a long way toward resolving the issue.

Privatizing Social Security is the most radical change, and it assumes that there is magic in diverting some portion of the current Social Security payroll taxes into the private markets. I hope that people who have money in the private markets understand what happened in the last year or so. Most privatization plans propose to strip a few percentage points off the Social Security payroll taxes and divert them to the private individual investment accounts. Most people happily focus on the vision of a few dollars a month growing into millions of dollars over time. Just ask me and a few others who have put small amounts of money on the market, that is lost. Unfortunately, this is a dream and not a reality as we have witnessed in the common stock market.

There are three very important things that should be considered when privatizing Social Security benefits: first, the huge cuts in benefits which would be required under the privatization plans, most as large as a 60 percent cut in Social Security benefits. For people with large savings from other sources, that may not seem like much; but for most Americans, it would be a drastic reduction in the protections they have come to rely on. That means many of the women of which I speak depend solely on Social Security as their retirement pension income.

Next, privatization would be a major change in who bears the risk of saving for retirement. Privatization would shift nearly all of the risk to the individual. People who are unwise or unlucky in their investments would suffer. We saw many examples of this in the recent stock market failures.

Finally, privatization would increase the Federal deficit by more than \$1 trillion over the next 10 years. Taking a mere 2 percent of payroll taxes away from the trust fund would double or triple the size of the deficit. This effect is what some people trivialize as transition costs. I do not believe it is trivial, and given the other concerns which privatization raises, I think we should look long and hard before we lapse and leap into the wrong direction.

How do African American women fair in privatization proposals floating around in the country? Not good at all. Although black women typically live longer lives, their lifetime earnings are usually much lower than their white counterparts. Under privatization, this lower level would mean black women would be forced to live longer on a

smaller amount of money, and they cannot get by with what it is now. They have to make a choice between food or medicine.

Hugh Price, president of the National Urban League, and Julian Bond, chair of the National Association for the Advancement of Colored People, wrote an editorial in the New York Times on July 26, 2001, addressing African American women and Social Security. They found that guaranteed government assistance is essential to the African American community. While African Americans make up only 12 percent of the general population, they make up 17 percent of all Americans receiving Social Security benefits and 22 percent of all children's survivor benefits.

At this point I will insert my entire statement into the RECORD.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise today to address the devastating impact that privatizing Social Security will have on women, especially African American Women.

Social Security is particularly important to women, especially in my home state of Texas. Without these vital retirement benefits, 564,000 women in the Lone Star State would be classified as poor, according to a report released by the Center for Budget and Policy Priorities.

Currently, Social Security benefits are progressive; that is, those with low wages receive a larger percentage of benefits relative to their earnings than higher income individuals do. This system of progressivity, combined with a cost-of-living adjustment that increases benefits every year, strengthens the safety net for those who are the most economically disadvantaged.

Privatization flows from concerns that many people have about the future of Social Security. Some of those concerns are founded and some are not. We are all well aware that as the post-war baby boom generation ages, the number of retirees relative to the number of workers will increase. These are facts that cannot be changed. However, modest changes, implemented immediately, can give people time to plan for the future and would take us a long way toward resolving the issue.

Privatizing social security is the most radical change, and it assumes that there is magic in diverting some portion of the current social security payroll tax into the private markets. Most privatization plans propose to strip a few percentage points off the Social Security payroll tax and divert them to private individual investment accounts. Most people happily focus on the vision of a few dollars a month growing into millions of dollar over time. Unfortunately, this is a dream and not reality, as we have witnessed in the current stock market.

There are three very important things that should be considered when privatizing Social Security benefits. First, the huge cuts in benefits which would be required under the privatization plans, most as large as a 60 percent cut in Social Security benefits. For people with large savings from other sources, that may not seem like much, but for most Americans, it would be a drastic reduction in the protections they have to come to rely on.

Next, privatization would be a major change in who bears the risk of saving for retirement. Privatization would shift nearly all the risk to