

supercomputer, you do not have to come to the U.S. You have literally hundreds of other options. So we in the U.S. are not able to restrict that. We can restrict our own exports, but that does not stop other countries from having companies develop that product.

It is even more true in the area of encryption software. Encryption software is now produced by over a hundred countries. If you want access to top-of-the-line encryption, you can get it from dozens of other places other than the United States of America. We are powerless to control it.

Now you may argue, well, so what? At least we can do our part. We can control what the U.S. exports and, therefore, protect national security, at least to the best that we are able. But the problem with that is the second key point I would like to make, and that is something that everybody acknowledges from the FBI to the NSA to the most ardent opponents of exporting technology. They all acknowledge that one of the keys to our national security is for the U.S. to maintain its leadership in technology, and the reason for this is obvious.

Technology is critical to our national security. If we are developing the best encryption software, the best computers here in the U.S., then our FBI, our NSA, our national security and Armed Forces units will have access to that information that they will not have if some other country develops it; and if we allow our countries to get ahead of us in the area of both supercomputers and encryption technology, pretty soon nobody will be buying from the U.S. because we will not have the best product. Our industries will die and we will not have access to the best technology.

Now recently, after years, the White House has stepped up and expanded our ability to export both supercomputers and encryption technology. I rise today to make the critical point that that is a good move not just for our industry, not just for jobs in the U.S., which is not an insignificant concern, but it is also a good move for our national security, and I want folks to understand that because I think for too long we have been stuck in thinking that has long since been passed by technology.

We cannot wrap our arms around technology and keep it here in the U.S.; those days are gone. If we want to protect our national security, we need to maintain our leadership in both the development of the best computers in the world and the development of the best encryption software in the world, and the only way to do that is give U.S. companies access to the foreign markets they so desperately need to maintain that leadership.

I am very pleased as a member of the new Democratic Network that the new Democratic Coalition and Caucus have so much to do with pushing this issue,

making the White House aware of it, because I think it is critical to the future of our country both economically and in terms of national security, and I urge that we continue down the sensible path to protecting national security.

A SAD DAY FOR ARMENIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. KENNEDY) is recognized for 5 minutes.

Mr. KENNEDY of Rhode Island. Mr. Speaker, today is a very sad day for democracy. Today is a very sad day for those of us who are friends of Armenia. Those of us who have been able to watch today's unfolding news have been struck by the horror in the government in Armenia as the prime minister and several lawmakers were struck down by bullets in the middle of their session.

I had the opportunity to meet Prime Minister Sarkisian last year when I visited Armenia and just 2 weeks ago when he walked the halls of this United States Congress to bring the cause of Armenia here to the bastion of democracy, and Prime Minister Sarkisian was struck down and murdered and assassinated today in Armenia. All of us in the United States Congress and all friends of Armenia all over this country, our hearts go out to the families of Prime Minister Sarkisian and all those lawmakers who lost their lives today in Armenia.

For all Armenian Americans today is a very sad day, and I must say for all of us today is a sad day because this kind of senseless act of violence threatens the very foundations of democracy which we hold so dear here and which Armenia is struggling so much to establish in that former Communist country.

Mr. Speaker, our sympathies go out to the families with our condolences.

CAMPAIGN FINANCE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. HOLT) is recognized for 5 minutes.

Mr. HOLT. Mr. Speaker, as a new Member of Congress this year, I am pleased to be here to represent the 12th Congressional District of New Jersey. Running for Congress is indeed a wonderful experience. It reminds one of what a magnificent place America is, a place full of hard-working, talented people. It reminds you that citizens here truly care about important issues facing our communities throughout the Nation, things like improving our schools and fighting suburban sprawl, protecting Social Security, holding the line on taxes for seniors and middle-class families.

But running for Congress also reminds one of something else, that our

country's campaign finance system is broken and needs to be fixed. We all know it. A campaign system where wealthy corporations can donate millions of dollars to political parties has the potential to drown out the voices of ordinary citizens. A campaign system where special interests can spread an unlimited amount of money on attack ads to smear and distort a candidate's record is wrong; a campaign system where we, as elected representatives, have to spend time raising money instead of addressing the issues.

One of the best ways, I believe, that this can be accomplished is through a restructuring of our campaign finance laws. It is one of the essential steps to begin restoring people's faith in government. That is why the first act I undertook after being sworn in as a Representative was to become an original cosponsor of the reintroduction of the Shays-Meehan bipartisan Campaign Finance Reform Act, and furthermore it is why I voted in favor of the legislation when it came under the consideration of this House.

It appears that this legislation will not pass Congress this year, that we who care about a government that is responsive to the people rather than special interests must not let up. This bipartisan bill is desperately needed to shut down the out-of-control soft money system which undermines the values upon which our democratic system of government is based.

The stakes are high and we must act.

SAVING SOCIAL SECURITY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from North Dakota (Mr. POMEROY) is recognized for 60 minutes as the designee of the minority leader.

Mr. POMEROY. Mr. Speaker, I am very pleased to for the next hour be coordinating a special order on the very important topic of Social Security. In the course of the next hour I am going to be talking about the very critical importance of this program. We are also going to put in perspective something about the present debate waging in this Chamber even as Congress works to conclude this session, and clearly we are in the final weeks of this session.

I also want then to highlight the emerging opportunity that we have in this Congress still this year to take the steps necessary to do something to strengthen Social Security, to prolong the solvency of the program, to push the life of the trust fund out from its present expectation, and these will be the areas that we will be discussing.

I am very pleased that joining me during this hour to discuss this matter will be a number of Members, and we will be pleased to incorporate them into the discussion.

I will begin just by talking about the Social Security program. It is our foremost family protection program. It is truly, when you talk Social Security, a program of all of us for each of us, and it has been that way for 6 decades. I do not think there is much question about what has made Social Security America's most successful Federal program. It comes down to the fact that it helps families in very real ways with risks that they otherwise cannot avoid. We all have risks of life. We may die too soon. We may become ill and unable to work. We may outlive our assets. Maybe we live too long and outlive our assets.

All of these are risks, all of us have them, and yet Social Security steps in and helps mitigate those risks by helping us in very fundamental ways. Let me just outline three of the coverages of the Social Security program.

The first, retirement income. There are millions in this country that every month receive a Social Security check that are in retirement years. This retirement check will continue as long as they live. It will be inflation adjusted to keep pace with rising costs. This program is the primary source of income for more than two-thirds of those on Social Security. It is 90 to 100 percent of the income for one-third on Social Security.

Let me make that clear again. Social Security is most of the income for two-thirds of Social Security's retirement recipients. It is all of the income for one-third of the recipients. You do not have to figure too hard given statistics like that to conclude how vitally important this program is to seniors on retirement depending upon this income.

But that is not what is the best known of the Social Security coverages. It is certainly not the only coverage because Social Security also provides a survivors benefit. Now what is that?

That is coverage that applies when the bread winner dies prematurely leaving dependents at home. Ninety-eight percent, 98 percent of the children in this country are covered under that survivor's protection. If their dad dies, they are going to have some support while the family tries to recover from that devastating tragedy. There, I do not think, is another program that has ever been passed that provides such comprehensive coverage to the children of this country, 98 percent.

The third is disability benefits because if you become disabled and are unable to make an income, what are you going to do? There are an awful lot of people in that category that simply have no other means for support. In fact, the disability benefit provided from Social Security is the only disability protection for three out of four in the workplace today.

You think about it. All the millions of people in the workplace today, driv-

ing to work this morning, absolutely depending on their paycheck at the end of the day or the end of the month or the end of the pay period to make it. Suddenly they become disabled, unable to work. What happens then?

Well, thanks to Social Security, they can make it because there is a Social Security check under that disability component of the program.

Now sometimes, as my colleagues know, we get up here and we talk about programs, and it sounds like just so much politics and government nonsense.

□ 1600

Social Security has had a very personal impact in the lives of millions of Americans, and I know well, because it has had a very personal impact in my life. My dad died when I was a teenager. I received a Social Security check. I have been a Social Security beneficiary. I, quite frankly, have no idea what my family would have done without the protection of Social Security, as we tried to regroup after the unanticipated death of my father at a relatively young age.

My mother now has another experience with Social Security. She is now, some 25 or more years later, 79 years old. She is living independently, thanks to that Social Security check that arrives every month.

My grandmother really did not have that opportunity. In the late fifties and early sixties, my grandmother's final years, she had to live with my family because she did not have the financial independence that my mother now has because of the Social Security check. Again, it could not be more personal to me, this program, which allows my mother the independence that she wants and deserves, thanks again to Social Security.

Well, Social Security is running a surplus now, but we know that that changes in the years ahead. Right now, the demographic bulge known as the baby-boomers are in prime career years, and they are generating the surpluses into the Social Security account. Those surpluses end in the year 2011, and at that time the claims payments equal the cash inflow from the FICA tax. Over the next 10 years we actually have to draw down the interest on the trust fund that has accrued in the Social Security trust fund to make the cash flow obligations of the Social Security system.

But it does not stop there, because in the year 2024 the interest part has been exhausted and you are dipping into principal, and, for the next 10 years, that principal is drawn down. So the Social Security checks are paid by the FICA taxes coming in and the liquidation of the Social Security trust fund until the Social Security trust fund is broke in the year 2034.

At that time, the only thing available to pay the benefits will be the

cash flow coming in from the taxes, and that will only pay 75 percent of what the Social Security recipients would otherwise be expecting to receive. Benefits will fall by one-quarter in the year 2034 if we do not take steps now to strengthen the trust fund, to prolong the life of the system, and that is why taking steps now to address the long-term are so critically important.

Take note of these changing demographics: In 1960, 5 workers per retiree; in 1998, 3.4 workers per retiree, so today, 3.4 workers per retiree; the year 2035, when the baby-boomers are fully into retirement and advancing in age, 2 workers per retiree, just 2 workers per retiree.

So if we do not bank this money now and keep it and take steps to strengthen the trust fund going forward, we are going to have the prospect of collapsed benefits and a tax obligation on our children and grandchildren that is impossible for them to bear. That is why we have to act.

Basically there are three ways to strengthen the solvency of Social Security. It is very, very simple. You can cut benefits, reduce that benefit, kick out the COLA, the cost of living adjustment. I do not think you ought to do that.

The average Social Security check in this country is \$700 a month. Remember, one-third of the people are living on that. For two-thirds of the recipients, that is most of their income. So we better not cut that monthly benefit. Far from it, we must stand resolved to hold that benefit and the cost of living adjustment on it.

Another way to cut benefits is to raise the retirement age. But, you know, the retirement age is already set to go up to 67. I do not think we ought to have 70-year-olds in the workforce because they cannot draw a Social Security check. I am against raising the retirement age. We have had people work for decades, counting on Social Security to be there when they retire, and to raise that retirement age, I believe, is just fundamentally wrong.

So if you are not going to cut those benefits, what else can you do to prop up Social Security solvency? Well, you can raise taxes. But I do not think you should do that either. The FICA tax presently is 12.4 percent. We are at a point in this country where more people pay more in FICA taxes than they pay in income taxes.

For those of us that have an employer, we pay the employee's share and the employer pays the employer's share, but I represent a lot of farms and self-employed people. They pay the whole 12.4 percent, and it is breaking their back to do it. So that tax is as high as it can go. I would like to see tax relief on that one.

So what else are you going to do? You cannot raise the taxes. The only other way to strengthen the solvency

of the Social Security trust fund is to invest general fund revenues so that this Social Security program, the crown jewel of the Federal Government, stays able to meet its commitments over the long haul.

Fortunately, there is a plan that has been advanced that would afford us doing that, and I will describe it in a minute. Before I do, I want to describe instead the position taken by the House majority this session on Social Security, because right now we are in the middle of a pitched battle where the House majority has launched frankly the most audacious attack against Democrats that I have ever seen launched on this issue. They have accused us of raiding Social Security to pay for programs, to finance government programs, and they say they are trying to stop it and they are going to save Social Security. These charges are unfounded, they are hypocritical, and they are untrue. Let us look at the record.

First of all, this is a GOP-controlled Chamber. They have the majority. We are operating under their budget. Their majority passes the appropriations bills. So for them to suggest that the Democrats, operating from the minority position, are raiding Social Security, is flat-out baseless and untrue. In short, it is a damnable lie.

You do not have to take my word for it, because it has been very heavily covered in the media across this country. Take a look at this Wall Street Journal coverage. "Social Security surplus triggers concern. CBO study shows Congress intends to spend billions on unrelated programs." Wall Street Journal coverage of the GOP budget and appropriations bills.

Here is what the Congressional Budget Office shows has already been spent out of the Social Security surplus, looking at the appropriations bills passed and marked up by this Republican majority. Already into it to the tune of \$14 billion. And yet this same crowd that is spending the surplus are running the ads in my district and other districts across the country saying that the Democrats are doing it.

It is really a new level of political hypocrisy: Do something, and then charge your opponents with doing that very same thing.

Washington Post story: "GOP spending bills tap Social Security surplus. CBO notes planned use of \$18 billion."

Again, the source document for all of this is the Congressional Budget Office, the nonpartisan number crunchers in the bowels of the Capitol here that relay the factual information on the budget. "CBO notes planned use of \$18 billion of Social Security revenue."

Here is in fact a copy of the letter from Dan Crippen, head of the Congressional Budget Office, that outlines where that spending has occurred.

So for a start you have to fault them on the pure baseless hypocrisy of their

attack that the Democrats have raided Social Security. The spending that has occurred in this Chamber has been under the GOP budget by GOP-passed appropriations bills. Make no mistake about that.

Even more importantly than that, however, is that this focus on trust fund spending as we try to get the last appropriations bills worked out distract from the true measure of who has done something for Social Security. The true measure of who has done something for Social Security depends upon who has advanced the life of the trust fund. That trust fund, slated to go bust in 2034, that trust fund that, if not replenished, will cause benefits to fall 25 percent just when baby-boomers are most dependent on Social Security.

We are now at the end of a full legislative year. The President advanced a plan for Social Security in January, and what have we seen come to the floor? Nothing. Not one thing, not one vote, not one debate on the floor of this House on how to strengthen the Social Security trust fund. They are not even talking about it.

Why are they not talking about it? I think they are not talking about it, frankly, because the tax bill that passed this very Chamber last summer, and, fortunately, was vetoed by the President in September, would have taken all of the general fund revenues that we need to fix Social Security for the long haul and sent it out the door in a tax cut benefiting disproportionately the wealthiest people in this country. That is the hard fact.

Their tax bill, passed by this majority, vetoed by the President, would have taken the general revenue we need to strengthen Social Security and it would have shipped it out the door, forcing us to one of the following alternatives: Benefit cuts, tax increases, or a busted trust fund in the year 2034.

We have quite a different plan. The plan of the Democrats is to take the Social Security surplus and preserve it for Social Security. Put them in and invest those proceeds in a way that draws down the national debt.

This national debt drawdown will produce tremendous savings for this country. Debt held by the public in 1997 was \$3.77 trillion, 47 percent of the gross domestic product. Today it stands at \$3.4 trillion. By drawing down the surplus in this fashion, we can reduce this debt to a point that by the year 2011 we are saving in interest charges paid alone \$107 billion every year.

Do you know that 15 percent of every tax dollar today goes to pay interest on this debt? Fifteen percent. If you just think about it for a second, if you bring that debt down, think of the money you save, that you no longer have to pay in those interest charges.

The Democrats' plan is pay down the debt, take the interest money saved

and invest that back in Social Security. That is where you get the general fund revenue available to invest in Social Security to strengthen the trust fund, to prolong the life of the trust fund, to strengthen Social Security, so that it is there past the year 2034 when we need it most.

That is the President's plan. That is the plan that is being introduced into this Chamber, and we strongly support, because it really gets to the core issue, who is doing something to strengthen Social Security for the long haul? And on that one, this majority has fallen woefully short.

I used to be an insurance commissioner. I would regulate agents. Sometimes I would see sales practices that were really shocking. The more they talked, the louder they talked, the more fancy materials they had, often masked the fact they were doing the opposite of what they were saying, and time after time I would revoke their license and put them out of business for lying to their customers.

You know, sometimes I wish we had kind of similar restraints on the action of both political parties here. If that was the case, these guys would be out of business, because they are flat out lying to their customers, the taxpayers of the United States, about their intentions for Social Security.

I am very pleased that we have had a couple of other Members join me in this Chamber. I would like to incorporate them into the discussion right now, beginning by yielding to my friend and colleague, the gentleman from Texas (Mr. LAMPSON).

Mr. LAMPSON. Mr. Speaker, the gentleman was just talking about the use of the interest. I wonder if he would reclarify that. He is telling us we can get rid of the interest on our debt, which is almost \$4 trillion, and by paying down our debt, that interest payment, that amounts to almost as much as we are paying on defense for our whole Nation, could ultimately be used in the Social Security program and Medicare. Talk about that for a minute, would you, please?

Mr. POMEROY. I certainly will. Then I would very much invite the gentleman's presentation on this vital topic, because I want to hear it and I know that we all do.

The way we have constructed this package is that the general fund money we get to strengthen Social Security comes from the interest we are no longer paying on this debt. Remember again, there are three ways to make this trust fund more secure: Cut benefits, you do not want to do that; raise taxes, you do not want to do that. You have to invest some general fund money. Where are you going to find the general fund money? Over time, by drawing down that debt, you free up interest payments that we are now having to make.

□ 1615

You have got a smaller debt. You have got a smaller interest payment. You take the difference in interest payment, and you put it into the Social Security Trust Fund, and you strengthen it for years.

In fact, under the plan that we have introduced, it will carry the life of this trust fund out to the year 2050, 2050. What is so important about that is this baby boom demographic bulge that we have got, it will be pretty well wiped out by then. I say so as a baby boomer myself, born in 1952. I would be 98 years old in 2050. Quite frankly, I do not think I will be drawing a Social Security check anymore personally. Most of us will not be. Our time will be at an end.

That is why our children and grandchildren and their children will have a shot at getting a Social Security benefit themselves because we will have seen this program pass the middle of the 21st century, and that is exactly the steps we need to take to make sure this program can meet our needs going forward.

Mr. Speaker, I yield to the gentleman from Texas (Mr. LAMPSON), because he has been very patient listening to me, and I would like to hear his presentation, his own personal reflections on Social Security.

Mr. LAMPSON. Mr. Speaker, I thank the gentleman from North Dakota (Mr. POMEROY) for yielding to me.

It is nice to be able to rise and join the Speaker and other Members and begin to talk about this particular issue because it affects hundreds of seniors, millions of senior citizens across this country and their families. They are the people that I am hearing about in my own office. It is not just the comments that I get from my own mother and others in my family, my uncles and aunts; but it is the letters that are written there concerning the future of Social Security.

Americans from all walks of life recognize that this sacred contract between the public and their government must be addressed and must be addressed now. If it can be done as simply and logically as what the gentleman from North Dakota (Mr. POMEROY) has just said, then it does not make sense for us not to pick it up and go forward with it.

The people do not want Congress to play games with this matter, with this retirement security that they feel so strongly on. As we look toward the 21st century, we cannot afford to risk losing this opportunity to save Social Security by allowing ourselves to become mired in partisan rhetoric or by failing to use creative approaches to problem solving.

It has been said that opportunity knocks but once, and Congress has to answer the door. We owe that to the American people.

Nancy Lampson happens to be my mother. She lives in Texas. She is 89 years old and lives by herself. Like millions of other senior citizens, she is worried about the future of Social Security. She, indeed, relies on it. She is afraid that it will not be there for me and my brothers and sisters. She knows what it has done for her. My mother knows that Social Security is not just good for retirement security for her. It is also good for me, her children, her grandchildren, and great grandchildren, including my own grandchild who will be born in just a few weeks.

Just as the gentleman from North Dakota (Mr. POMEROY) spoke a few minutes ago about his own personal experiences, my mother, who is now 89, faced the task of raising six children when my father died when I was 12 years old. Not an easy task for a family to face, not an easy task for a single mother who had no education to be able to face in this country.

Without the assistance of Social Security survivors benefits, our family would not have stayed together. It is difficult to imagine, as the gentleman from North Dakota said, what would happen to those families who do not have that kind of security, that wherewithal. One child goes off to live with one relative, another goes off with another. Perhaps they never see each other again. Perhaps they are not able to grow up in the manner that we all believe so strongly in, as family can support each other in their quest to become productive citizens in this country.

Well, many claim that this Congress is claiming, and particularly the Republicans within Congress, claiming their budget does not touch the surplus. But such a claim is a ruse. The leadership of this House continues to use gimmicks and false promises in an attempt to mislead the American public. We need to put aside the surplus for Social Security, not spend it and, in turn, reduce the national debt and the billions of dollars that we are wasting each year on those interest payments that I asked the gentleman from North Dakota (Mr. POMEROY) about a minute ago. Winnowing down the national debt will be good for my mother's great grandchildren, my grandchildren.

Currently, the United States of America spends nearly as much on interest payments as it does on national defense. If we wisely invest the surplus in Social Security, then we can reduce our interest payments from almost 20 percent of the budget in 1999 to around 2 percent in 2014. It is just 15 years away.

Investing in Social Security will not only reduce the debt, but it will also lower interest rates, boost economic growth, and increase the financial security of working families. One does not have to be a Harvard economist to know that this makes good sense for the American people.

Well, I am dedicated to ensuring the long-term solvency of Social Security and committed to guaranteeing American families financial security upon retirement and in the event of death or disability. Social Security has kept millions of retired seniors from living in poverty and by providing a guaranteed cash benefit with a lifetime protection against inflation.

That amount of money only amounts to \$571 for my mother, but it makes a difference in her life. For about two-thirds of the beneficiaries, Social Security provides about half of their annual income. For 30 percent of the beneficiaries, Social Security provides 90 percent of their annual income. Social Security is the only source of income for one in six older Americans. If the Republicans succeed with their budgetary sham, the quality of life of seniors in this country will be put at risk.

On behalf of my mother, on behalf of the people of my district in southeast Texas, on behalf of the millions of people across this country that we in Congress represent, I urge all of my colleagues to avoid the trap that is being set by the leaders of this House. Before we do anything else, we must save Social Security.

We need to focus on the present and the future by investing the budget surplus in Social Security.

Mr. Speaker, I would love to participate more as this dialogue continues. I thank the gentleman from North Dakota (Mr. POMEROY) for the leadership that he is showing on this issue.

Mr. POMEROY. Mr. Speaker, I want to thank the gentleman from Texas very, very much for that very compelling statement. In his family, as in my family, this is a program that has really mattered. I cannot think of anything more important for us to do than to join forces and try to protect it for the millions of families that are depending upon this program.

It really all comes down to, are we taking the steps necessary to strengthen the trust fund, prolong its solvency? If this Congress leaves in the face of these surpluses without lengthening the solvency of that trust fund, we will have failed the people mightily.

I am terribly concerned at this very late point in this session, here we have been here all year, not one bill on the floor, not one hour of discussion on the majority side in terms of actually pushing out that solvency date, strengthening the Social Security program. Without, really, that key point, we really miss the mark in terms of taking steps to shore this program up for, not just our retirement needs, but our children and grandchildren as well.

Mr. Speaker, I am very pleased to yield to the gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Speaker, I thank the gentleman from North Dakota (Mr. POMEROY) for organizing this

special order this afternoon, since Congress got out much earlier than we normally do, and to talk about Social Security.

But because I, like a lot of Members, have seen, not only here in Washington but around the country, the ads that our Republican colleagues have that shows the Democratic Caucus squandering Social Security funds. I kind of laugh. The gentleman from North Dakota has been in our caucuses, and they are pretty boring compared to those ads. Obviously, I do not think they are getting their money's worth. In fact, some of us have said, well, we need to go to where they have those ads.

But it is amazing to me that they would spend whatever they are going to do, the millions of dollars, to put those out in selected districts around the country when, historically, Social Security was not created with any Republican support. It has not been supported typically, in fact even the gentleman from Texas (Mr. ARMEY), the majority leader, has said that Social Security is something that he would not have supported. It is a falsehood on the American people.

But since the 1930s, and following the gentleman from Beaumont, Texas (Mr. LAMPSON), and how important Social Security is, it is one of the most successful domestic programs we have ever seen. It guarantees retirement security for millions of Americans and health care benefits for the disabled.

It also, as the gentleman from Texas said, survivors benefits for children, if a person who pays his Social Security dies, his children, until they are of age, can have some help in just surviving.

So what we are seeing here today, instead of those ads that are saying something about Democrats challenging or threatening Social Security, I think it is ridiculous. I think the American people know that. What we are seeing, though, is the rhetoric for one side who is just about the biggest falsehood I have seen in history, because we know that threatening of the program is because of what is happening now with their budget projections.

In the article of the gentleman from North Dakota (Mr. POMEROY), he has, CBO notes a planned use of \$18 billion of Social Security surplus. It was \$14 billion, but up here we change those numbers almost on a daily basis because of appropriations.

As always, my colleagues on the other side of the aisle leave everything to the last minute. So that is why we are here today looking at a Labor, Health and Human Services appropriations bill tomorrow that very well could go higher in Social Security numbers. Instead of \$18 billion, it could go as high as \$24 billion in using Social Security and trying to scramble to balance the budget.

But even with that, even with going as high as \$24 billion in using Social Security trust funds for their budget, they are still going to cut math teachers and reading teachers for public schools. They are going to cut veterans health care programs with that proposed across-the-board 1 percent cut. It was 1.4 percent 2 days ago. Now it is a 1 percent cut.

But even then, they are still dipping into Social Security. We cannot allow that to happen. Social Security is simply too important, not just to my father who will be 85 years old and who benefits from Social Security, but not only for the baby boomer generation that we are members of, but also for our children and our grandchildren.

Social Security is a primary source of income for two-thirds of all Americans over 65. Two-thirds of all Americans is the primary source. For one-third of seniors over 65, it represents 90 percent of their income. That is not just true for those recipients today, not just like my father or the mother of the gentleman from Texas (Mr. LAMPSON), it is going to be true for our generation.

Sure we have opportunities to save and invest and things like that. But, again, Social Security was created not to make one rich. I use the example, it will not buy one one's Cadillac, but it may buy one a used Chevy. That is what we need to make sure, that it is there for every generation, not just the current generation, but for every generation.

It is more than a retirement program. It is a critical survivors benefits, as the gentleman from Beaumont, Texas (Mr. LAMPSON), said. One out of every five Social Security beneficiaries receive survivor or disability benefits.

So many children in the United States receive some type of benefits from Social Security. It provides disability benefits for our Nation's workers. Three out of four of the workers sometimes can benefit from disability in some form.

So where is the Republican plan to extend the life of the Social Security Trust Fund? Well, obviously from that article we see and the article we have seen, it really does not exist. Because, again, if it gets as high as \$24 billion with the drastic cuts in programs and diversions of money, I guess what worries me is the 1 percent I am hearing today would be across the board.

Instead of prioritizing our appropriations, it is much easier to say, well, I am going to let a \$500 million aircraft carrier that the Navy does not want, we are going to cut it 1 percent. But we are also cutting math and science teachers and reading teachers in our public schools.

While my Republican colleagues for months were proposing an irresponsible tax cut and talking about how they were really saving Social Security, but

that is not so. Thank goodness the President vetoed that. They have not brought that up to try and override the President's veto. Maybe we need to talk about that sometime on the floor.

They propose a budget that does not do anything to, again, reduce the class size, put more police on our streets. In fact, they are cutting the successful Cops on the Beat program. Computers in the classroom, like I said math and reading teachers, after-school programs, and, worst of all, they are proposing to cut immunizations for children with that 1 percent, yet still spend \$24 billion of Social Security trust funds.

Their budget plans leaves nothing for strengthening the fund. It does not leave anything to extend the life of Medicare Trust Fund or modernize Medicare to provide for prescription medication.

Now, there is a plan that both the administration and Democrats have proposed that we have talked about to extend the solvency of Social Security to 2050 and avoid the difficult choice of reducing Social Security benefits or raising the retirement age of seniors. According to the primary estimates by the Social Security program's Office of Actuary, the administration's proposal would extend the solvency until 2050. This is an extra 16 years added to the program.

□ 1630

The administration's proposal would devote the entire Social Security surplus over the next 15 years to paying down the debt held by the public. This would reduce the debt held by the public by \$3.1 trillion over the next 15 years.

We have a responsibility to take the necessary steps to make Social Security safe and strong, and not only for our baby boomers and our parents' generation, but also for future generations. Hard-working Americans pay a lot of their income into Social Security, both themselves and their employers, and they are relying on that program to make sure they are not in the poor house as they used to be before we had a Social Security program for our seniors.

Mr. Speaker, I think it is time we put politics aside and also put gimmickry aside and really get down to trying to do what we can to make sure we balance the budget and still provide for the safety of Social Security, and looking at the Medicare Trust Fund too, along with prescription medication. We can commit enough money to shore up both Medicare and Social Security.

Again, I want to thank my colleague, the gentleman from North Dakota (Mr. POMEROY), for asking for this special order and giving us the chance to come and talk about it.

Mr. POMEROY. Mr. Speaker, I thank my friend and colleague for participating and the observations that he has made. They are so apt.

Basically, we have a majority here that says the Democrats are spending the Social Security money, when in fact the media coverage, based on the Congressional Budget Office shows it is the GOP spending bills, based on the GOP budget. After all, they are the majority party in the body. If anyone is raiding Social Security, it is the majority, not the minority. We do not have the votes, if we wanted to, and we do not want to.

Second, they accuse the Democrats of jeopardizing Social Security when this same crowd running the Chamber has not offered a proposal and debated on this floor any ideas relative to strengthening the trust fund.

I think it is terribly unfortunate that we cannot work together, Democrats and Republicans, to strengthen this program. Because it is not a Democrat program or it is not a Republican program, it is America's program. And in the middle of all this political smoke I hope Americans keep one thing in mind: The way to evaluate whether anything is happening or not on Social Security is to look at that 2034 date, the date at which the trust fund goes bust. If that date is not addressed, those benefits are going to fall by 25 percent. And the prospects of our children and grandchildren getting a meaningful Social Security benefit are greatly reduced, even though they definitely face the prospects of significantly higher taxes.

So has the trust fund been strengthened? The answer; not by anything they have done so far this year. And that is a deep disappointment to me, and I am sure the American people.

Joining me, Mr. Speaker, is the gentleman from Arkansas (Mr. VIC SNYDER), from Little Rock, Arkansas. Well, from the State of Arkansas, I am not certain if Little Rock is in the gentleman's district or not. I am happy the gentleman has joined us for this special order, and I yield to him at this time.

Mr. SNYDER. Well, I thank the gentleman, Mr. Speaker. I was over in my office and watching the gentleman's usual thoughtfulness. The gentleman has been a beacon in this town for the last several years, a light in all this fog that is surrounding us here right now.

As the gentleman knows, when I first came here 2½ years ago, I was invited to attend the gentleman's Democratic budget study group that meets every Wednesday morning, and it has been through those group meetings that I have been helped in sorting through this fog of these numbers and in trying to understand in an unbiased way what all these numbers mean.

I remember when the gentleman had that terrible tragedy of the floods in North Dakota and he was literally immersed in flood waters and stayed overnight in the shelters there, at least for one night. Well, now the gentleman has

immersed himself with these budget numbers trying to understand this very, very complicated issue of budgets and how it impacts on Medicare and Social Security. And I appreciate the tremendous work that the gentleman has done.

I have seen these ads that have been running against the gentleman in North Dakota, and those are an insult to the people of North Dakota. Anyone wanting to put out those ads does not understand the kind of man the gentleman is and the kind of work the gentleman has done in trying to provide for the long-term solvency of Social Security and Medicare.

Anyone can put together a 30-second ad for short-term political advantage, but that is not what I think the people of America want us to do, it is certainly not what the people in North Dakota and Arkansas want us to do. They want us to work on long-term solvency of these very important programs, not short-term political advantage.

It is 4:30 in the afternoon. We have our usual about empty Chamber here when we are doing these special orders. I would like to think that everyone is out trying to solve the problem of Social Security. My guess is a lot of them are out trying to raise more money trying to figure out how to run more ads against good people like the gentleman from North Dakota. But I do not think that will work and I commend the gentleman for his efforts in this regard.

I want to pick up on the some of the last comments the gentleman made about the importance of Democrats and Republicans working together. We cannot solve the long-term problems of Medicare and Social Security, and I will put down there defense and veterans issues, in a partisan manner. We cannot do it. And the American people will not stand for it. Any party who has the votes can put bills through, but that will not lead to the ultimate long-term solvency of these programs that the American people care about so much.

Somehow we have to get past all this. We also have to recognize that this country has a lot of needs. Our senior citizens have a lot of needs, not just Social Security, even though it is vital. Veterans. Very important to senior citizens. Medicare is very important to senior citizens. A lot of the senior citizens in my district care very much about our defense budget. They came through World War II and the Korean War and the Vietnam War, and they recognize the importance of a strong defense. They also recognize the problems of paying for drugs when on Medicare, and they care about that deeply.

They also understand the importance of education. When I go visit a friend in the hospital, I am very much aware

most of the people working in the hospital are fresh out of our high schools and colleges. We depend, even in our retirement years, on the education level of the generations coming behind.

So for many what long-term solvency means is to have a program that my mother can depend on, that I can depend on, and that the staff that work for me in their 20s in my office can depend on. I have one pregnant staffer. To me, long-term solvency means that those kids that are coming behind us, that are now toddlers and in grade school, that they know that their Congress is watching out for this program, not for short-term political gain, not to run a 30-second political spot to try to hurt a good Member like the gentleman from North Dakota (Mr. POMEROY), but that we are working together in a bipartisan way, Republican and Democrat, old and young, so that we can make this Social Security, Medicare, and veterans programs be there for all our retirees in the future.

And once again I commend the work the gentleman has done on this issue and, I am confident, will do for many years.

Mr. POMEROY. I thank the gentleman for those kind comments. The gentleman's measured, reasoned analysis is once again so directly on point relative to what types of response we ought to work together in this Chamber to take. Not running 30-second attack ads, just playing politics with an issue that is as important as Social Security, but working to strengthen the Social Security Trust Fund by taking the interest savings generated by Social Security, as we pay down that debt, and putting it into the Social Security program.

I am very pleased to call on my colleague, the gentlewoman from Cleveland, Ohio (Mrs. JONES), who has been very patient in the course of this afternoon. I thank her very sincerely for staying and participating, and I yield to her now.

Mrs. JONES of Ohio. Mr. Speaker, I thank the gentleman, and I want to salute him for spending time to put together this special order with regard to Social Security. And as my colleagues have said, I would say to him that he should stand tall; we know that the gentleman is doing a great job here in the Congress of the United States. Those ads will not last for long, because we are going to get the message out that the gentleman is doing a great job and that the Democrats are not trying to raid the Social Security fund. So I thank the gentleman very much for his consistency.

Mr. Speaker, Social Security is the cornerstone of our retirement system. Social Security is the principal source of retirement income for two-thirds of the elderly. In 1959, the poverty rate for senior citizens was 35.2 percent. In 1998, it was 10.5 percent, the lowest on

record. Last year, Social Security benefits lifted roughly 15 million senior citizens out of poverty. At the same time, poverty remains high for widows and other groups.

Social Security is more than just a retirement program. One in five beneficiaries is under the age of 62, receiving either disability or survivor benefits. As my colleagues have said, I am blessed to have parents who are living and healthy, 78 and 79 years old. I am blessed to have in-laws who are living, whose health is somewhat in disrepair, who are also 78 and 79. And as I campaigned throughout the City of Cleveland back in 1998, the major issue that senior citizens brought to my attention was Social Security and they told me that they were counting on me to go to Washington and save Social Security.

Now, over this past year, as a new Member of Congress, I have watched and learned about this discussion with regard to Social Security, and I am begging my colleagues, both Democrat and Republican, to stop talking the political language of Social Security and get down to the issues that are important with regard to Social Security; that the people of these United States expect that we are going to do.

Social Security is projected to become insolvent by 2034 as a result of the demographic pressures it faces. In 1960, there were 5.1 covered workers for every Social Security beneficiary; in 1998, there were only 3.4 workers for every beneficiary; and by 2035, there are projected to be only two workers for every beneficiary. That is why it is so important that we now hold on to the dollars for Social Security and put them aside, put them into a fund so that they will be maintained and be able to bear interest so that Social Security will be around. It is important that we assure the young, the old throughout that Social Security is something that they can count on over time.

I do not know who else has been on the floor today with the gentleman from North Dakota, but I think it would be of interest for those who are listening to us to hear about The New York Times piece that said, and I quote the next to the last paragraph: "Asserting that it is merely trying to save money for Social Security, the Republican leadership in Congress wants to cut spending by 1.4 percent," or now I understand it is 1 percent, "across the board, and block the White House's initiatives for money to hire new teachers and police officers. The leaders' approach has been so wrongheaded that yesterday it provoked a revolt in the party rank and file, and the cuts were being scaled back. But it is not necessary to slash programs to 'save' Social Security. More to the point, there are better places to save money, by cutting billions of dollars in pork barrel projects and eliminating some of

the expensive tax breaks for special interests that have made big campaign donations to the party in recent years."

This is clearly on line and on point with what we have been trying to say over the past few days. The House GOP'ers have already dipped into \$14 billion of Social Security surplus. They are on track to spend \$24 billion of that surplus. The appropriations exceed the President's request by \$14 billion. The majority leader, the gentleman from Texas (Mr. ARMEY), is on record as stating he never would have created Social Security. The number of days the GOP budget plan would extend the life of Social Security is zero.

By way of contrast, the number of years the Democratic tax budget plan would extend the life of Social Security is 16 years.

Finally, while ignoring the needs of the Social Security System and its financial viability, the Republican leadership, through tax breaks, provides for the wealthiest and special interests, and that amount would come to close to \$1 trillion.

As a freshman Member of Congress, I have had an opportunity over the past year to get to know some of my Republican and Democratic colleagues. I am confident that through working together, through strong leadership, we can arrive at a resolve for the Social Security System. And that resolve is in saving Social Security dollars, putting it aside, investing it, paying down the dilemma that we are in in terms of debt as a country, and moving on to dealing with the other issues that impact the people of these United States.

Again I would like to congratulate the gentleman from North Dakota on his leadership on this issue, and I yield back.

Mr. POMEROY. I thank the gentleman very much for her comments.

There have been, in the course of our discussion, some comments made as to a series of ads, and among the places they are being run is in the State of North Dakota. I would just read for my colleagues the text of this ad, to put in context what we are dealing with as we try to make difficult decisions at the end of a legislative session. The majority party has unfortunately decided to launch, as a political strategy, apparently some sleight-of-hand way to disguise what they are doing on Social Security.

This is the text of the ad that has already run in North Dakota. It begins with a fadeup of shots of threatening criminals looking at the camera. Cut to the criminals. He looks to the camera and smiles, and here is the text: Imagine a world where there's no punishment for committing a crime, where thieves can steal from unsuspecting victims. It is hard to imagine, yet it is about to happen in Washington. The Democrat and the President's budget

could raid Social Security and spend our retirement money on big government programs. Protect your family's future. Insist every penny of the Social Security trust fund go to the people who paid into it.

□ 1645

"Call Congressman POMEROY. Tell him keep his hands off Social Security."

This ad, run to the people that I have lived with all my life, actually implies that somehow I am engaged in criminal activity involving a raid of the Social Security Trust Fund. It is run by the same majority that the Washington Post has analyzed has already spent Social Security surplus, "CBO notes planned use of \$18 billion." That is the crew that paid for that television ad. So they have done what they are actually buying advertising to accuse others of doing.

This is a House operating under the GOP budget. It is a GOP majority. Those are GOP appropriations bills. It is their control of this chamber that would result in spending that Social Security-derived revenue.

But the question, the broader and most important question, is has anyone in the majority offered on this floor a plan to strengthen the trust fund? And on that one, regrettably, we must conclude, no, there has not been a plan to strengthen the trust fund.

Any plan that does not call for an additional infusion of resources to strengthen Social Security for the long haul is going to rely instead on benefit cuts, higher retirement age, or higher FICA taxes. There is just no other way around it.

So when the Republican tax plan took all the available general fund revenue and kicked it out the door, going primarily to the wealthiest people in this country, it was a plan that would have savaged Social Security and required steep benefit cuts after the year 2034 because there would have been no way to make the fund solvent for the long term. That is their record.

Not only have they done that which they accuse us of doing, they have passed a tax bill, fortunately vetoed, never to become law, that would have taken the means to strengthen Social Security and taken away from us instead forcing us to rely on benefit cuts.

We are now in the final minutes of this presentation, and I have a request that has come in from the gentleman from North Carolina (Mrs. CLAYTON) who has experienced a situation I am very familiar with, disastrous flooding for her neighborhoods. And so, for the concluding 5 minutes of this special order, I yield to the gentleman from North Carolina (Mrs. CLAYTON) to bring us up to date as to the heartache and the tragedy her folks are experiencing.

I would just say to my colleague in yielding, representing the City of

Grand Forks, the city that was inundated in 1997 and is clawing its way back now thanks to the strong support of Federal disaster aid, we would not have made it without disaster aid programs.

I will listen closely to the description of the problems of my colleague. And if we can help, we need to help with a similar Federal response so that her brave constituents can similarly make the tough road back.

Mr. Speaker, I yield to the gentlewoman from North Carolina (Mrs. CLAYTON).

FEDERAL DISASTER AID

Mrs. CLAYTON. Mr. Speaker, I thank the gentleman from North Dakota (Mr. POMEROY) for yielding and thank him for his offer to help.

By the way, my citizens also are concerned about Social Security spending. I want my colleague to know that. But, in addition to being fearful of how they will have Social Security or how we will manage it, they must now manage this disaster.

My colleague knows well how this sort of disaster not only unsettles the community but frightens human lives. It puts everything in uncertainty and fear and the anxiety that prevails and the lack of hope.

I have come to just raise with my constituents and I am so pleased that my colleague is willing to assist and I want to tell my constituents they need additional help.

This is a picture of Tarboro taken some weeks ago. It is not flooded like that now. But I will have my colleagues know that 68,000 persons have now called the FEMA line for assistance. 68,000. More than 46,000 homes have been damaged. The governor has now brought his figures thinking that maybe 10,000 of those homes will not be able to be built back again.

So we are now wanting Congress to begin helping us just move beyond just the relief and have a recovery fund. And what we are doing, by the way, as Members of Congress, many of us are going to North Carolina to give a hand, to share our concern, but also to express our personal participation. Members from Congress, on November 6, will be going on buses with their staff and other public officials to eastern North Carolina, working in five selected communities helping to remove debris, clean up, give hope, have discussion with the local leaders and, in the afternoon, to have a rally of hope.

There will be gospel singers and inspirational singers, B.B. Weiner, C.C. Weiner, Shirley Caesar and our former Member. And Bill Hefner, who was a Member with us here who sings gospel, has agreed that he may come. We want to make sure Bill Hefner hears us and comes on down. And the Phelps brothers. We have a Member from Illinois, and he is going down.

So we have a strong delegation of American citizens for us, yes,

Congresspersons, but American citizens too who want to identify and say, beyond just thinking about you or looking at these pictures. Because you see, now the stories have ceased, we do not see the cameras, but the mud is there. The flood has done devastation.

There is one other final piece I want to show my colleagues. This is showing the devastation to infrastructure where roads have been just devastated, bridges, the waterway, the environment. This is showing a hole in the road in 301. By the way, the railroad came across this way, too. So it has not only interrupted the water and the travel by car, but also the railroad system had to be rebuilt.

So the power of water first sustains life, but also we saw the power of water where it has taken life.

Finally, more than I think now 51 persons have died because of this. Life indeed is precious. But what we want to do is to make sure those who are living and those who are struggling with that will have a sense of hope.

So I am urging my colleagues to consider a bill before we end this session so we can show a sense of passion, not only the resolution we passed, but having the monies. We need the money to go build the houses.

And my colleague is right, FEMA is that relief that the Federal Government has, but we need those extra resources to allow individuals to build their homes back, to have structure.

By the way, more than 2.5 million chickens were killed, 120,000 hogs. I mean, the wildlife suffered just tremendously. And the environmental impact, we are still assessing that. We do not know what it will mean to our beaches and our waterways and our fishermen. Because if we do not mitigate this harm and do it very rapidly, we will be paying a severe price.

I would say more than just have relief, we need opportunity for a major recovery for more than 18 counties who are involved.

I thank the gentleman for both sharing his time but, more importantly, understanding the need for support for the people in North Carolina.

Mr. POMEROY. Mr. Speaker, I thank the gentlewoman for her comments.

Clearly, the initial disaster package added to the agriculture appropriations bill does not begin to compensate the economic loss that North Carolina has sustained.

I just know from again my own flood experience in North Dakota, everything that filthy water touches it destroys. And so, once that water recedes it leaves your families' belongings, some of their most treasured things, in a distorted, grotesque, and disgusting condition requiring removal. And then you build back starting from scratch. We are going to have to have a bigger Federal response helping your people off the floor, just as the Federal Gov-

ernment helped Grand Forks, North Dakota off the floor; and I stand to help my colleague.

ONE-PERCENT SOLUTION

The SPEAKER pro tempore (Mr. SIMPSON). Under the Speaker's announced policy of January 6, 1999, the gentleman from Arizona (Mr. HAYWORTH) is recognized for 60 minutes as the designee of the majority leader.

Mr. HAYWORTH. Mr. Speaker, I thank my colleagues from North Dakota and North Carolina for the conclusion of their time on this floor as they renewed their calls for something quite needed.

As a North Carolinian by birth, but now proud to represent the State of Arizona, Mr. Speaker, I would assure those North Carolinians and all Americans who have been affected by Nature's wrath and fury that we are acutely concerned for their plight. And I believe that we can work in a bipartisan way to solve those problems of an emergency nature, although one cannot help but note, Mr. Speaker, how much better it would have been if some \$20 billion in American taxpayers' money had not been used for foreign adventurism in the Balkans, but instead that money remained in the Treasury of the United States to help Americans when they were put in harm's way.

Mr. Speaker, I rise this afternoon to respond to some of the other less bipartisan statements made earlier by my colleagues on the left. I think it is important to offer straight talk, Mr. Speaker, to the American people about what we can call the 1-percent solution.

First we must celebrate our achievement. And my former colleagues in journalism, as I spent many years in radio and television covering the news before I was honored to be sent by the people of the Sixth District of Arizona to this chamber, I would commend to my former colleagues and, Mr. Speaker, to the American people news that may have escaped the notice of the American people over the last 10 days as the budgeteers in both the White House and the Congress sat done and reevaluated what has transpired.

The fact is there is very, very, very good news. Because, for the first time since 1960, for the first time since Dwight David Eisenhower served as our President, this Congress has not only balanced the budget, this Congress did so without using one penny of the Social Security surplus. And moreover, Mr. Speaker, this Congress generated a surplus for the American people of \$1 billion over and above the reports we received today of close to \$124 billion of Social Security surplus money. So that is indeed good news.

But it does not change the fact, Mr. Speaker, that good people can disagree.