

108TH CONGRESS
2D SESSION

S. RES. 432

Expressing the sense of the Senate that Congress should reject Social Security privatization proposals, including those that require deep cuts in Social Security benefits, such as the proposals of President Bush's Social Security Commission.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 21, 2004

Mr. CORZINE (for himself, Mr. BAUCUS, Mr. DURBIN, and Mr. DASCHLE) submitted the following resolution; which was referred to the Committee on Finance

RESOLUTION

Expressing the sense of the Senate that Congress should reject Social Security privatization proposals, including those that require deep cuts in Social Security benefits, such as the proposals of President Bush's Social Security Commission.

Whereas Social Security is based on a promise to the American people: if you work hard and contribute to Social Security, you will be able to retire and live in dignity;

Whereas Social Security is the primary source of income for two-thirds of American seniors;

Whereas Social Security benefits for retired workers average only about \$900 per month;

Whereas \$900 per month is insufficient to maintain a decent standard of living in many parts of the United States, especially for seniors with relatively high health care costs;

Whereas in 2001, President George W. Bush created the President's Commission to Strengthen Social Security (referred to in this resolution as the "Bush Social Security Commission"), naming as Commission members only those who advocated Social Security privatization, and mandating that the proposals put forward by the Commission include privatization of Social Security;

Whereas the Bush Social Security Commission produced Social Security privatization proposals that required deep cuts in Social Security benefits;

Whereas the Bush Social Security Commission's proposed changes could reduce Social Security benefits to future retirees by as much as 46 percent;

Whereas under the Bush Social Security Commission's proposal, the cuts in Social Security benefits would apply to all seniors, not just those seniors who choose to participate in privatized accounts;

Whereas the cuts in Social Security benefits could be even deeper if individuals do shift funds to privatized accounts;

Whereas privatization advocates attempt to justify cuts in Social Security benefits by pointing to future projected shortfalls in the Social Security trust fund, but diversion of payroll tax revenues from the trust fund into privatized accounts would substantially accelerate the date by which the Social Security trust fund becomes insolvent;

Whereas in order to avoid accelerating the insolvency of the Social Security trust fund, the Bush Social Security Commission was forced to propose that the Federal Government incur as much as \$4,700,000,000,000 in Federal debt (in today's dollars) by 2041;

Whereas in response to the Bush Social Security Commission's report, 50 members of the Senate wrote to President Bush, urging him to reject the Commission's proposed cuts in Social Security benefits;

Whereas the President has not complied with the request of the Senators and instead has reiterated his intention to move toward the privatization of Social Security; and

Whereas the deep cuts in Social Security benefits proposed by the Bush Social Security Commission could jeopardize the financial security of millions of Americans: Now, therefore, be it

- 1 *Resolved*, That it is the sense of the Senate that Con-
- 2 gress should reject Social Security privatization proposals,
- 3 including those that require deep cuts in Social Security
- 4 benefits, such as the proposals of President Bush's Social
- 5 Security Commission.

