

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

taxes paid in that they will get through their retirement years from Social Security. 1.7 percent is what the economist predict you are going to get in your retirement years. We can do better than that in a CD at your local bank. The problem is that government doesn't save and invest your money, it spends it.

But I think the other important consideration is that the Supreme Court has said that there is no obligation of the Federal Government to give you Social Security benefits. The Social Security tax is a separate tax. Benefits is a decision made by Congress and the President. That is why when we have gotten in trouble in several times, such as in 1977, again in 1983, we increased taxes and cut benefits. Let us not let that happen again.

The highlights of my bi-partisan Social Security bill, H.R. 3206, are as follows:

Allows workers to own and invest a portion of their Social Security taxes by creating Personal Retirement Savings Accounts (PRSAs); PRSA investment starts at 2.5% of wages and gradually increases;

PRSA limited to a variety of safe investments;

Uses surpluses to finance PRSAs;

No increases in taxes or government borrowing;

PRSA account withdrawals may begin at 59½ while the eligibility age for fixed benefits is indexed to life expectancy;

Tax incentive for workers to invest an additional \$2,000 each year;

Gradually slows down benefit increases for high income retirees by changing benefit indexation from wage growth to inflation;

Divides PRSA contributions between couples to protect low income and non-working spouses;

Widows or widowers benefit increased to 110% of standard benefit payment;

Repeals the Social Security earnings test;

Scored by the Social Security Administration to keep Social Security solvent; and

Maintains a Trust Fund reserve.

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EMERGENCY SUPPLEMENTAL FOR FISCAL YEAR 2000

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentlewoman from North Carolina (Mrs. CLAYTON) is recognized during morning hour debates for 5 minutes.

Mrs. CLAYTON. Mr. Speaker, it has been more than 8 months since my State, North Carolina, was struck by Hurricane Floyd, one of three hurricanes to hit our State in succession. And it has been more than 3 months since the House passed H.R. 3908, the emergency supplemental for this fiscal year. Mr. Speaker, we are beyond an emergency. In Eastern North Carolina we are now in a crisis. Title III of the bill includes \$2.2 billion for assistance in the wake of the hurricanes. Those disaster relief provisions are urgently needed.

States like North Carolina, hit hard by the hurricanes and flooding of last fall, critically need that support for

their recovery and rebuilding efforts. North Carolina suffered the worst devastation in its history.

The bill contains \$77.4 million in additional funds for FEMA to be used for short-term emergency housing, home buyouts and relocation assistance; \$42 million targets funds for USDA and \$25 million in funds for HUD, to be used for long-term housing needs, new rural rental housing, rental assistance grants, mutual self-help housing grants and rural housing assistance grants; \$33.3 million in funds for the SBA. The bill also contains \$25.8 million in funds for EDA, to be used for vital economic recovery needs, disaster loans, planning assistance, public works grants and capitalization of revolving loan funds.

In addition, the bill contains critical funding for agriculture, funding to help our farmers through the forgiveness of marketing loans made by the Commodity Credit Corporation, supplemental funding for crop insurance, and \$77.5 million in urgently needed funding for staffing and other needs of the Farm Service Agency. The bill contains funding to assist our fishermen who suffered untold losses from the hurricanes. Funding for dredging, snagging, clearing and debris removal at navigation projects is also included. And the bill has funding to study the dike at Princeville, a town completely destroyed by the flooding.

Mr. Speaker, America is at its best when its citizens are at their worst. When government can and does help, it makes a difference in the lives of our citizens. The lives of the people of Eastern North Carolina were forever changed when Hurricanes Dennis, Floyd and Irene struck. In some instances, the damage reached 175 miles inland, away from the shore, leaving a swath of death, destruction and despair never before seen in my State. Whether their lives were unalterably changed now rests largely in the hands of Congress.

When we passed the emergency bill in the House, the bipartisan support provided to relieve the suffering experienced by the flooding in these States gave hope that the things that are common to us are far stronger than the things on which we differ.

Mr. Speaker, there remains an emergency in North Carolina. It is an emergency in every sense of the word, an unexpected predicament, a crisis, a situation that caught North Carolina and other States entirely by surprise. The destruction is enormous, the needs are great, the situation is urgent.

I urge the House and the Senate to get together and send us a conference report.

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RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 2 p.m. today.

Accordingly (at 12 o'clock and 50 minutes p.m.), the House stood in recess until 2 p.m.

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AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. PETRI) at 2 p.m.

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PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord God, You hold all in good order. Yet You give us the freedom of choice and the realm of good conscience.

Be with Your people today, especially our leaders in religion, in government, and in all civil service.

Help us to maintain good conduct in ourselves and in this Nation. Provide us with insight into our own behavior.

Guided by Your Spirit, make us accountable for our deeds before Your eternal tribunal and in the public forum of respectful performance.

May this, the House of Representatives of the United States, do all in its power to maintain good conduct among its citizens.

May we, by our behavior, find credence among other nations so that they observe our good works and glorify You, our God, as our protector, now and forever.

Amen.

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THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

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PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Ohio (Mr. TRAFICANT) come forward and lead the House in the Pledge of Allegiance.

Mr. TRAFICANT led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

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MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate has passed without amendment bills and concurrent resolutions of the House of the following titles:

H.R. 642. An act to redesignate the Federal building located at 701 South Santa Fe Avenue in Compton, California, and known as the Compton Main Post Office, as the "Mervyn Malcolm Dymally Post Office Building".

H.R. 643. An act to redesignate the Federal building located at 10301 South Compton Avenue, in Los Angeles, California, and known