

Board, an independent agency, will oversee the PRAs. Investment companies that manage it would have to have an insurance plan to have survivors benefits, disability benefits, and also a floor that says you would never get less than 2.5 percent of your investment that year. By the way, you choose the company with which you want to put your money. If it is better somewhere else, you can move your money.

Chile has 16 companies that do this with a population of under 20 million people. In our country, we would probably have 100 firms. Just look at the numbers of mutual funds you can choose from today.

You also decide when to retire. This is an important part. Under the current system, the Government tells you how much you are going to pay into the system; the Government tells you when you are going to retire; you have no choice, and the Government tells you what you are going to get as a benefit. They determine everything. You have nothing to say about it. You are being led along like sheep into this system.

Ours says when you reach this 150 percent of poverty, if you can buy an annuity that will pay you the rest of your life at that, you can stop paying into the system. You can retire at that time. I don't care if you are 40 years old. Once you have met that requirement, you can get out of this system. You will no longer be considered a ward of the State; you will have enough to provide for your retirement. Some choices: In divorce cases, PRAs are treated as community property. Upon death, a PRA benefit will go to the heirs without estate taxes.

Think, if you had that \$1.4 million in your account when you die—not like my father who got \$253, but whatever you had accumulated in your account, up to \$1.4 million or more, that would be your money that would go to your heirs without estate taxes, without capital gains. Workers could arrange PRAs for nonworking children. They could put \$1,000 in their account, and when they reached the age of 65, it would be \$250,000.

There will be no new taxes for this system. Retirement income would be there for everybody, whether you stayed within Social Security or chose to build a personal retirement account. In Minnesota, workers can decide when to retire and which options work best for them. With PRA, average returns would be at least three to five times better.

This is the system. I hope when we continue these debates, and when people hear these scare tactics, remember, that is all they are, rhetoric and scare tactics. We can develop a system that will be safe, sound, and will preserve better retirement benefits than we have today.

We should have that chance for our children, just as other countries. When hearing this debate, set aside the rhet-

oric and scare tactics and look at the numbers. I hope we can continue this debate because this is a very important part of America's future.

I yield the floor.

The PRESIDING OFFICER (Mr. CRAPO). The time of the Senator has expired. The Senator from Maine.

Ms. COLLINS. Mr. President, I ask unanimous consent that I be permitted to proceed under the time reserved for the Senator from Wyoming, Mr. THOMAS.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. COLLINS. I thank the Chair.

(The remarks of Ms. COLLINS pertaining to the introduction of S. 2605 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Ms. COLLINS. I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mrs. BOXER. Point of order: Is the Democratic side supposed to take over at 10:30?

The PRESIDING OFFICER. At 10:30, that is correct. There remains about 3 minutes.

PERSONAL RETIREMENT ACCOUNTS

Mr. SANTORUM. Mr. President, I wish to briefly continue the discussion started by Senator GRAMS from Minnesota. I commend him for his fine work on the issue of Social Security and moving forward on personal retirement accounts.

I also commend Gov. George W. Bush for his bold and, I think, prescient decision to move forward on the issue of personal retirement accounts for Social Security. This is the kind of leadership this country is looking for, someone who is going to tell the truth to the country, let them know what the decisions to be made are with the most important social program in this country, Social Security.

The Governor laid out very clearly the options before us: We can either raise taxes, we can cut benefits, or one can invest some of the current Social Security revenue stream into stocks and bonds. He came out and said: I am for investment. That is the way we are going to solve this problem and create opportunities for every working American, with every working American sharing a piece of the American dream, the free spirit of America.

I commend him for that, thank him for his leadership, and look forward to talking about this issue over the next several months to move this issue forward for America.

The PRESIDING OFFICER. The Senator's time has expired.

All the time of the Senator from Wyoming has expired.

The Senator from California.

SOCIAL SECURITY

Mrs. BOXER. Mr. President, it is interesting that Senator GRAMS and Sen-

ator SANTORUM came to the floor to praise Governor Bush's Social Security plan. I come here to express my deep alarm over this plan and to place into the RECORD the reasons I believe it is very dangerous to the future of this country, to our senior citizens, and to those who really depend on Social Security for themselves or for their aging parents.

I think the first question to ask is, What is Social Security? Why is it called security?

I used to be a stockbroker. I can tell you that I have seen the smiles when the market goes up, and I have seen the tears when the market goes down. At the time I was a broker, there was a very traumatic period in our history. It was the tragic assassination of our great President John Kennedy. I will never forget, the market was just crashing that day. It went down so much that there was a halt in the trading. Anyone who retired that day, and had an annuity plan, would have been in the deepest trouble.

I believe in investments in the stock market. I believe in investments in the bond market. I think it is very important that we let our people know Social Security is not meant to be your full retirement. What it is meant to be—and what it has worked so well as—is a basic foundation, a safety net, not guesswork but a basic return you can expect every month with a check you will get which will meet your basic needs.

Let me describe it this way: You have a house. It is very modest, but it is good. It has a roof. It protects you. It is a place where you can be comfortable, warm. It works for you.

Maybe you want to add a room to that house. That is wonderful. That is an amenity. That is something additional you could use—a family room, an extra bedroom. But you do not mess with the foundation of the house. You keep that a solid house—that Social Security. Anyone who challenges this idea is making a huge mistake. I will explain why.

You do not have to go that far to look at the ultimate result if we just said: People can just have individual accounts and forget Social Security. Because we know that happened in Texas. I will show you what happened in Texas when three counties left Social Security and went into the market and said to their people: We will allow you to deal with your accounts. This isn't theoretical; it has actually happened in Texas. Let me tell you about the Texas example where every single family lost out.

It was the same idea Governor Bush has. He started off talking about 2 percent of your Social Security being diverted. As I understand it, last week he said he could foresee a time when everybody has private accounts—100 percent. We know what happened in this experiment. The source here is the U.S. General Accounting Office, February 1999.