

while failing to index those limits for inflation. It was not the Supreme Court that ran roughshod over the first amendment rights of office-seekers and other citizens. And it was not the Supreme Court that stacked the deck against challengers, locking in incumbents at an unprecedented rate. No, the problem is not that the Court invalidated part of the regulators; grand scheme; the problem is that too much of their scheme remains intact.

I believe it is time we declare "the emperor has no clothes." It's time to dispel the myths perpetuated by the architects of today's failed campaign finance scheme. And while the regulators devise new such schemes on how to limit participation in elections and eliminate money from campaigns, we should look at the real problems that have been caused by their regulatory approach to reform.

Today's campaign finance system requires current and prospective office-holders to spend too much time raising money and not enough time governing and debating issues. The present system has also failed to make elections more competitive and allows millionaires to purchase congressional seats. While a millionaire can write a check for whatever amount he or she wants to their election campaign, everyone else is forced to live under the same hard dollar limits that were put in place in 1974, which have not even been adjusted for inflation.

Today's system hurts voters in our republic by forcing more contributors and political activists to operate outside of the system where they are unaccountable and, consequently, less responsible. The big government reformers agree with me on this point, but their solution, of course, is more regulation. Beyond being unconstitutional, more regulation, such as banning soft money and limiting issue ads (ala Shays-Meehan), will only make the system worse. I don't often agree with my hometown newspaper, the Sacramento Bee, but last year they put out an editorial on CFR which I agreed with on many points. Speaking about the Shays-Meehan bill they said: "It centers on two big wrong-headed reforms: prohibiting national political parties from collecting or using "soft-money" contributions, and outlawing independent political advertising that identifies candidates within 60 days of a federal election. That means the law would prohibit issue campaigning at precisely the time when voters are finally interested in listening—hardly congruent with free speech. Since that kind of restriction is likely to be tossed by the courts as a violation of constitutional free speech guarantees, the net effect of the changes will be to weaken political parties while making the less accountable "independent expenditure groups" kings of the campaign landscape.

I couldn't agree more. Because as long as we have a shred of a Constitution left, individuals will have the ability to act independently and spend as much as they have want on po-

litical causes. So, the net result of a Shays-Meehan bill would be to push political spending even farther away from the responsible candidate-centered campaign.

These are the problems we face today. And before we decide which reforms should be implemented, we need to decide where we want to go, and what kind of new system we wish to create.

To me, the answer is simple. Our goal should be a system that encourages political speech, and promotes freedom and a more informed electorate. We should strive for a system in which any American citizen can compete for and win elective office; a system that is consistent with the Constitution by allowing voters to contribute freely to the candidate of their choice.

By removing the limits on contributions, scrapping the failed presidential finance system, and providing full and immediate disclosure, the Citizen Legislature and Political Freedom Act would dramatically move us toward a desirable, constitutional, and workable campaign finance system.

HOLT-LUCAS-MOORE "LOCK-BOX"
WILL PROTECT SOCIAL SECURITY
AND MEDICARE

HON. RUSH D. HOLT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1999

Mr. HOLT. Mr. Speaker, I rise today to offer, along with my colleagues, Representatives LUCAS and MOORE, legislation to safeguard two of our nation's most important programs for the elderly, Social Security and Medicare.

As I travel around my central New Jersey District, I hear constantly from people who rely on Social Security and Medicare. Congress has no greater domestic priority this year than strengthening and protecting Social Security and Medicare. Our bill would ensure that that priority is recognized in law.

The Holt-Lucas-Moore Social Security and Medicare "lock-box" would require that every penny of the entire budget surplus, not just the Social Security surplus, be saved until legislation is enacted to strengthen and protect Social Security and Medicare.

Any new spending increases would have to be fully offset until solvency has been extended for Social Security by 75 years and for Medicare by 30 years. This requirement would be enforced by new points of order against any budget resolutions or legislation violating this condition.

My colleagues and I believe that spending any projected budget surpluses before protecting and strengthening Social Security and Medicare would be wrong. Projected budget surpluses over the next decade offer a once-

in-a-lifetime opportunity for addressing the challenges that Social Security and Medicare face. This hard-won achievement resulted from responsible steps that were taken in the past. We should not deviate from the path of responsibility now, with problems looming over the horizon for Social Security and Medicare. In fact, we should follow the old adage to "fix our roofs when the sun is shining." This is in keeping with what the President has proposed.

Some portion of the surpluses outside of Social Security and Medicare will be needed to address the challenges that those programs will face. Thus, we should save Social Security and Medicare first before squandering any of the Social Security surplus, the Medicare surplus or any other government surplus.

Furthermore, paying off the public debt can make an important indirect contribution to the sustainability of Social Security and Medicare. Virtually all economists, including Federal Reserve Chairman Greenspan, argue that paying down the public debt would increase national savings, promote long-run economic growth and create a larger future economy to support a larger, retired population. Fiscal discipline has served our economy well in recent years by helping to sustain the longest peacetime expansion in United States history.

We are offering this proposal now because we are concerned about the carelessness with which some Social Security "lock-box" proposals are being brought to the floor, completely bypassing the normal committee process. Proposals to protect and strengthen Social Security and Medicare deserve thorough examination and careful consideration. Congress should not take short-cuts when considering changes to these hallmark programs for America's seniors.

For example, Congress is expected to consider this week the Herger-Shaw "lock-box" bill, which offers only the minimum protection for Social Security and Medicare. While Herger-Shaw does attempt to protect the Social Security surplus, merely doing this does nothing to extend solvency for Social Security, and it does nothing at all for Medicare. The Holt-Lucas "lock-box" is superior to Herger-Shaw because its lock-box is more secure and has more money in it. Holt-Lucas saves the entire surplus, not just the Social Security surplus.

Mr. Speaker, Social Security and Medicare are some of the most important and successful programs of the 20th Century. We must not forget that they provide vitally important protections for American seniors. A majority of workers have no pension coverage other than Social Security, and more than three fifths of seniors receive most of their income from Social Security.

Let's put the need of America's current and future retirees first