

PERSONAL SOCIAL SECURITY
ACCOUNT ACT OF 2000**HON. JOHN R. KASICH**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 14, 2000

Mr. KASICH. Mr. Speaker, today I am introducing the "Personal Social Security Account Act of 2000." Since its inception in 1935, Social Security has provided financial independence and retirement security for millions of senior citizens. Unfortunately, Social Security is on the road to bankruptcy. Just fifteen years from now, Social Security will not collect enough payroll taxes to pay promised benefits. This is not a temporary problem limited to the retirement of the baby boomers. Americans are living longer and having fewer children. There will be fewer workers to support each retiree even after the baby boomers are gone.

Social Security faces a cash shortfall of more than \$130 trillion over the next 75 years. While these deficits will not affect today's seniors, our children face three choices—raise payroll taxes by 50%, reduce promised benefits by 30%, or face a crushing burden of debt. We must not let Social Security's tidal wave of red ink be our legacy to America's children. We must find a way to protect our seniors' retirement security without sacrificing our children's standard of living. That's why I have introduced the "Personal Social Security Account Act of 2000." This legislation would increase future benefits by prices instead of wages, and it would allow workers to create their own personal savings account.

Under current law, initial benefits for new retirees are increased each year by the growth in wages. As a result, over the next 75 years, promised benefits will nearly double, even after adjusting for inflation. Under this legislation, benefits for workers under the age of 55 will be increased by the consumer price index. Switching from wage indexing to price indexing will eliminate the Social Security shortfall and avoid future payroll tax increases while at the same time guaranteeing today's level of benefits for future retirees.

Workers under the age of 55 will also be given the option to invest an average of 2% of their wages in their own personal savings account. The exact amount each worker can invest will be related to their wages in order to maintain the progressivity of the current Social Security system. Based on historical rates of return, most workers who choose to set up a personal account will earn far greater benefits than the government could ever afford to provide under current law.

Today's economic prosperity provides us with an historic opportunity to preserve Social Security for three generations—our parents, ourselves, and our children. We must seize this opportunity and build a bipartisan consensus for Social Security reform.

HONORING JOANNE LOTHROP

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 14, 2000

Mr. STARK. Mr. Speaker, today I pay tribute to Joanne Lothrop, a longtime community ac-

tivist in San Leandro, where she has served on the city council since 1996.

Her involvement in public service began nearly 22 years ago as a volunteer with the Girls, Inc. program. As a staff member, she learned the importance of being a role model to youth and understood the importance of introducing life skills to young women to foster leadership and independence. She was a program director of Health Initiatives for Youth and has an extensive background in community organizing. Whether advocating on behalf of inter-city children, farm workers, or HIV positive youth, Joanne's focus is unwavering and her commitment is exemplary. Joanne is always available to lend a hand be it fundraising, advocacy, legislation, education, or community organizing.

As a San Leandro City Councilwoman, Joanne has worked toward a regional cooperative approach in the areas of environmental justice and sustainable communities. She brought together citizens, business leaders, and environmental interests to form the West San Leandro Advisory Committee to study the environmental impacts of both industrial and residential development. Joanne has demonstrated leadership in maintaining the jobs-housing balance in San Leandro and adjacent communities. She has worked to retain high wage employers in the city and attract new businesses to increase job opportunities for San Leandro and East Bay residents.

Joanne has received numerous awards and special recognition including five National Girls Inc Outstanding Program Awards. I join her colleagues in thanking her for her community service as well as her contributions to the city of San Leandro during her tenure on the city council. Joanne has chosen not to run for another term on the city council. Her voice on the council will be missed but we look forward to many more years of her dedicated community service.

IMPROVING QUALITY OF CARE IN
ASSISTED LIVING FACILITIES**HON. FORTNEY PETE STARK**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 14, 2000

Mr. STARK. Mr. Speaker, the Institute of Medicine will shortly release a publication entitled, "Improving the Quality of Long-Term Care." A committee of our nation's leading experts in the area of long-term care compiled information on quality in various long-term care approaches, including assisted living.

The report finds that there are few studies of outcomes and quality in assisted living facilities, primarily because of the lack of a uniform definition of this category of facilities. Assisted living facilities can have enormous variation in services and environment, and the varying definitions from state to state make comparisons difficult.

The report also finds that the small body of research that does exist illustrates that "residential care facilities, including assisted living, present a mixed picture in terms of both quality of care and quality of life. Some offer individualized, high-quality care in facilities that afford privacy, dignity, and individualization. However, others appear to lack adequately trained staff, and offer neither sufficient

amount of care nor privacy and 'homelike' settings. Also, there are indications that consumers may receive too little information to make informed choices regarding these facilities and the services provided."

Many consumers are drawn to the philosophy of assisted living, a model developed to combine the care of other long-term care settings with an environment promoting dignity and independence. This upcoming IOM report, though, highlights the disconnect that exists between the philosophy of assisted living and its implementation. It references a study that found only 11 percent of facilities provided high levels of both privacy and service, the philosophy of assisted living. On the contrary, the majority of assisted living facilities, 65 percent, offered low levels of service (e.g., no full-time registered nurse on staff) and 40 percent offered low levels of privacy.

Another disconnect between assisted living philosophy and practice is the concept of "aging in place." Despite the marketing claims of consumers being able to live out their lives in their assisted living homes, consumers are finding out they may not be able to obtain needed services or be allowed to stay if they develop conditions that require more care. The IOM report references a survey of assisted living facilities that found 76 percent of assisted living facilities would discharge anyone who needed skilled nursing care for more than 14 days, and 72 percent had already done so within the past 6 months.

The wide variation in definitions of assisted living facilities also poses problems for states in developing regulations that ensure quality. Some states view assisted living as an alternative to nursing home care while others view assisted living as a model for people with less serious conditions than nursing home residents. These differing perceptions as to what constitutes assisted living leads to varying standards from state to state. In my view, there needs to be a more consistent approach to ensuring quality and protections for the residents in these facilities.

IOM provides further support for the need to focus on quality of care in assisted living facilities. I introduced H.J. Res. 107, calling for a White House conference for conducting a national dialogue on this issue and for developing recommendations. I hope that my colleagues will join me in ensuring the safety of our nation's elderly in their assisted living homes and make this an important effort of the 107th Congress.

HONORING THE LATE GINA VEGA

HON. JOE BACA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, December 14, 2000

Mr. BACA. Mr. Speaker, today I Honor a devoted wife and mother of six, Gina Vega. It is with much sadness that we mark the passing of such a great person who graced this world and the lives of all those who were close to her, especially her husband Felipe.