

How far in the discharge of my official duties, I have been guided by the principles which have been delineated, the public records and other evidences of my conduct must witness to you and to the world. To myself, the assurance of my own conscience is, that I have, at least, believed myself to be guided by them.

In relation to the still subsisting war in Europe, my proclamation of the 22d of April 1793 is the index to my plan. Sanctioned by your approving voice and by that of your representatives in both houses of Congress, the spirit of that measure has continually governed me, uninfluenced by any attempts to deter or divert me from it.

After deliberate examination with the aid of the best lights I could obtain, I was well satisfied that our country, under all the circumstances of the case, had a right to take, and was bound in duty and interest to take—a neutral position. Having taken it, I determined, as far as should depend upon me, to maintain it with moderation, perseverance and firmness.

The considerations which respect the right to hold this conduct it is not necessary on this occasion to detail. I will only observe that, according to my understanding of the matter, that right, so far from being denied by any of the belligerent powers, has been virtually admitted by all.

The duty of holding a neutral conduct may be inferred, without anything more, from the obligation which justice and humanity impose on every nation, in cases in which it is free to act, to maintain inviolate the relations of peace and amity towards other nations.

The inducements of interest for observing that conduct will best be referred to your own reflections and experience. With me, a predominant motive has been to endeavor to gain time to our country to settle and mature its yet recent institutions and to progress, without interruption to that degree of strength and consistency which is necessary to give it, humanly speaking, the command of its own fortunes.

Though in reviewing the incidents of my administration I am unconscious of intentional error, I am nevertheless too sensible of my defects not to think it probable that I may have committed many errors. Whatever they may be, I fervently beseech the Almighty to avert or mitigate the evils to which they may tend. I shall also carry with me the hope that my country will never cease to view them with indulgence and that, after forty-five years of my life dedicated to its service with an upright zeal, the faults of incompetent abilities will be consigned to oblivion, as myself must soon be to the mansions of rest.

Relying on its kindness in this as in other things, and actuated by that fervent love towards it which is so natural to a man who views in it the native soil of himself and his progenitors for several generations, I anticipate with pleasing expectation that retreat,

in which I promise myself to realize without alloy the sweet enjoyment of partaking in the midst of my fellow citizens the benign influence of good laws under a free government—the ever favorite object of my heart, and the happy reward, as I trust, of our mutual cares, labors and dangers.

GEO. WASHINGTON.

UNITED STATES,
17th September, 1796.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business, not to extend beyond the hour of 2 p.m., with Senators permitted to speak therein for up to 10 minutes each.

The Chair, in his capacity as the Senator from the State of West Virginia, suggests the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GREGG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GREGG. Mr. President, are we in morning business?

The PRESIDENT pro tempore. The Senate is in morning business.

Mr. GREGG. I seek recognition under morning business.

The PRESIDING OFFICER (Mrs. LINCOLN). The Senator is recognized.

Mr. GREGG. Madam President, I rise to speak about an issue that I have spoken about a number of times on the floor in my term of office, and that is the issue of Social Security and how we reform it and how we make it solvent. I would make it a system that continues to support our senior citizens as they retire. And more importantly, it addresses—the needs of the next generation, a very large generation, as it heads into retirement and does so in a solvent way, a way that doesn't bankrupt either our Nation or leave our senior citizens without adequate resources to live a good life once they retire.

I was extraordinarily disappointed, extraordinarily disappointed, to read an article in the Washington Post which was picked up, I guess, in a variety of different ways by different news sources, so it was not unique to the Post's view. It was entitled "Democrats View Social Security as Election Issue" and it went on to talk about a letter that had been sent jointly by the minority leader of the House, Congressman GEPHARDT, and the majority leader of the Senate, Senator DASCHLE, which essentially raised the red shirt of Social Security, and basically laid out a political agenda versus a substantive issue for correcting the problems which we face in Social Security. It is extraordinarily ironic but unfortunately consistent with the policies of some Members of the other side of the

aisle that they would use Social Security as a political club for the purposes of attacking Members of my side of the aisle.

This is now unique. It is not new. In fact, when I served in the House of Representatives, I had the good fortune to serve under a very strong leader of the House, Congressman "Tip" O'Neill from Massachusetts, and I got to know him personally while we didn't necessarily agree on everything. But I got to know him very well, and he was from neighboring states. I once asked what was going to be the issues that we would hear about as Republicans running in the next election. I think this was in 1986, 1985. And he told me, we were going to hear about three issues from his folks. No. 1, we were going to hear about Social Security. No. 2, we were going to hear about Social Security. And No. 3, we were going to hear about Social Security.

And, unfortunately, that's the way it proceeded. But that's not constructive to resolving the issue of Social Security. In this Congress, in the Senate especially, we have had a number of people who have attempted from both sides of the aisle to be positive and constructive forces on resolving issues of Social Security, but politicizing it certainly doesn't accomplish that.

In fact, the recent commission which it appears this letter was built around as a purpose of attack, was headed by the former Senator from this body, Senator Moynihan, who was an extremely positive force for good governing in this country. I again didn't always agree with Senator Moynihan but I admired him as a Senator and as a thoughtful person on public policy. The commission which was headed by Senator Moynihan appears—and which put forward a series of proposals as to how we could address the Social Security issue—appears to be the focal point which is going to be used to try to leapfrog into an issue of politics on the question of Social Security.

This is unfortunate because that commission attempted in a sincere and aggressive way to be a positive force for a discussion on the issue of how to make Social Security solvent.

Let's return to the fundamental underlying problems involved in the Social Security debate, and how we address them. To begin with, there is the question of the Social Security trust fund. It is a concept which has been created over the years, under which citizens who pay into Social Security have a right to put a claim against. As a practical matter, there is no trust fund. We all know that. What senior citizens have in our country is a right to claim on younger citizens, working citizens of our country the right to a certain amount of their tax dollars to support them, the senior citizens in retirement.

That is the basic agreement that has been reached under the terms of Social Security. What you pay into the Social Security system has absolutely no relationship to what you get out of the

Social Security system in the long run. For example, if you were a senior citizen today who retired in the mid-1960s or late 1970s, or late 1960s or late 1970s or even into the 1980s, you essentially paid into the system only a fraction, a fraction of what you have received back from the system in the form of benefits. Ironically, if you happen to be a young person working today, say you're in your 20s, especially if you're an African American, what you are going to pay into the system for what you're going to get back from the system is going to be more, actually more in the terms of taxes than what you will receive in benefits.

So it really doesn't depend on how much you paid into the system as to what you received in the system. It depends more on when you were born and when you started contributing to the system and when you retire. And that's why the system rather than being a fully funded system, essentially is a system which says to one generation, you shall support the older generation.

To put it another way, rather than owning assets, what the Social Security system owes is the right to raise and take taxes from working Americans. And to use those taxes to pay for the benefits of people who are retired. That is what the Social Security system essentially owns.

Throughout the 1990s and even today or most of the 1990s, beginning the early part of the 1990s, the Social Security system began taking in a lot more money than it was paying out. So you might say, well, where did that money go? Isn't that money sitting there as an asset which a senior citizen down the road can take advantage of? Actually, no, it is not.

Where that money went was to operate the Federal Government. For years the Social Security excess payments were used to pay for the day-to-day operation of the government. And in exchange for that, the Social Security system received a note, a debt from the Federal Government. What did that mean? That debt essentially meant that when the Social Security system needed money, they could come to the General Treasury or the taxpayers of America, and say, pay us on this note. But when the notes weren't there during that period from about 1975 to about 1987 when the Social Security system was running a deficit—in other words, it was taking in less money in taxes than it was paying out—during that period when the Social Security system had no notes to theoretically repossess or reclaim or get back, the benefit payments continued to be made.

And it was tied not to the fact that there was a note but it was tied to the fact that the American public believed that there was a standard of living and a standard of benefit which should be maintained for people who are retired. And so the younger generation paid additional taxes to support the older generation.

And now, of course, we are, as I mentioned, in a period of surplus, so there is enough money there to pay the older generation the benefits it needs. But beginning—and this is where the problem starts—in the year 2008 when the baby-boom generation starts to retire and accelerate rather dramatically as the full baby-boom generation retires by the year 2015, we will see the actual cash flow into the Social Security system not meeting the demands of the system.

In other words, we have a higher cost for benefits than we have payments coming in under the Social Security taxes. And so once again we will be in a situation as we were in the mid-1970s and mid-1980s where the American worker, younger Americans will be asked to pay additional taxes in order to support people who have retired in order to maintain their benefit level.

This will be a significant issue for us as a country. And this is the issue that the Moynihan Commission tried to address, the fact that beginning in the year 2008, we will be back into a negative cash flow from a standpoint of Social Security taxes, and we have got to do something in order to maintain the benefits to senior citizens and give them and assure them the promise that we have made to them. And the Moynihan Commission pointed out that this is not going to be like the 1970 and 1980 period. This is going to be a much more severe stress on the system because ironically, the size of the retiring generation will be the largest in the history of our country.

To try to put it in perspective, in 1940, there were 100 people paying into the system to support one retiree. In 1950, there were 16 people working and paying taxes into the system for every person who was retired and taking benefits out of it. By 1990, we were down to 3.5 people paying into the system. For every one person taking out. So we have gone to a pyramid to almost a rectangle. Well, by the year 2020, between 2015 and 2020, we're essentially going to be at a rectangle. There are only going to be two people paying into the system for every one person taking out because this huge population boom that came after the end of World War II, the post-war baby boom of which I am a member, President Clinton is a member. This generation is so large that it simply is overwhelming the system.

The point that the Moynihan Commission was trying to make is we have got to start planning for this. As a government and as a culture or we are going to suffer an extremely severe situation. And so they put forward three or four fairly reasonable proposals dealing with a very narrow part of the resolution of the problem. Specifically, whether or not today when we are running a surplus in the system—in other words, when people are paying in more taxes than are necessary to support the benefits, should those taxes be used to support the general government, or

should we allow people to keep some small percentage of the taxes they are paying in today and allow them to take that money and put it into some investment vehicle which would be controlled by the Social Security Administration. It would be much like the—what we as government employees have, a Federal thrift savings plan. It would be a market basket of some sort of securities, very risk averse securities, securities that don't have a lot of risk. You would have three or four or maybe five choices.

Allow people to take a small percentage of their Social Security tax which they are paying in today which is not being used to support the Social Security benefit but is instead being used today to operate the general government and take that small percentage, 2 percent in most cases is what has been talked about out after 12.5 percent tax burden, take that small percentage and put it into an asset which you, the wage earner, the working American, would actually own. It would be yours. You wouldn't have to depend on the Federal Government, the largess of the Federal Government to exist; you wouldn't have to depend on the goodness of a bunch of folks here in the Senate to exist. It would physically be your money. And if you happen to die before you reached age 59 or 60, that would go to your children, or to your family or to whoever else you wanted it to go to. Under today's law, of course, if you happen to work all your life and you have the misfortune of getting hit by a truck when you are 59, you get absolutely nothing out of the Social Security system and your wife gets very little on top of that. This would allow you to actually own that asset. It would allow all Americans to actually realize wealth because every American would have a savings account with real assets in it that could be used for their retirement.

But what does the rear of the other side of the aisle do? When a very responsible former Senator of this body puts out talking points, simply talking points as part of a commission resolution for how we might address one small part of what is going to be the most severe fiscal and cultural issue we face as a country, particularly as we head into the next decade? They start waving the red shirt. They start accusing everybody of trying to steal from senior citizens or trying to manipulate the system to wipe out the benefits of senior citizens. They start scaring people. How totally irresponsible can you be?

And then they say this is going to be their policy as a party. They say the Democrats have used Social Security as the election issue. Well, we probably should debate Social Security as an election issue. We ought to debate it responsibly. We ought to talk about ideas like those that Senator Moynihan has proposed, like Senator Bob Kerrey proposed from the other side of the aisle, like Senator BREAUX has proposed from the other side of the aisle,

like former Senator Robb proposed on the other side of the aisle.

Those are the exact same ideas that Senator Moynihan proposed and yet when Senator Moynihan's commission proposes them, they suddenly become an issue of partisan nature that should be driven as a political issue and we will once again see those envelopes come out that are made to look like Social Security checks which say urgent, open quickly, and when you open them, there will be a form from the Democratic National Committee telling us, you are about to lose you Social Security because the evil President and his commission headed up by Senator Pat Moynihan—they may not mention that—has suggested that a percentage of the money that is being paid today, not by you the recipient but by workers which is not only for you, the recipient to get your benefits but is also important for those workers to get theirs when they retire, and that a percentage might be used as a savings account owned by individuals in America, owned by the people who are paying excess taxes and Social Security today. We will get those letters. And you will get the phone calls at dinner time saying your Social Security is going to be lost if you're a senior citizen.

And once again, we will have an approach to Social Security which does absolutely nothing to address this critical public policy question but does a great deal to poison the well so that it can't be addressed constructively. This is such a crucial issue of public policy. It is absolutely inexcusable that it is being promoted and addressed in such a smear manner—cavalier manner. Listen to this language. The dangers of Social Security privatization has been tragically illustrated in recent months by the fate of the Enron employees who lost their savings when Enron collapsed. How outrageously demagogic can you be to make that type of a statement as an attack on the Moynihan proposal?

The Moynihan proposal didn't suggest investing in a single company. Just the opposite in fact. It suggested that a basket be used, a basket which would be under the supervision most likely of the Social Security Administration. But because Enron has become the classic poster boy and appropriately so for fraudulent activity in the marketplace, there is an attempt here to merge the issue of Social Security and making it solvent for the next generation with Enron. Pure despicable, political demagoguery which makes one wonder if there is anybody in the leadership of the Democratic Party, at the National Committee or in the Congress who actually wants to solve the problem. I suspect there are very few.

It appears most of the Senators on that side who did want to solve the problem have decided to leave the Senate, unfortunately, and nobody has stepped forward other than Senator BREAUX, to pick up the flag. But what

is very clear is that a number have stepped forward to pick up the flag of Tip O'Neill and the National Democratic Party, as they try to polarize the American public on this issue. At the expense of a resolution of the issue, and one wonders what we're going to say to senior citizens who retire in the years 2015 and 2017, when we will be in a crisis. One wonders what we are going to say to our children who are working today and are coming into the working place and will have to have their taxes increased radically in order to meet the obligations of Social Security. One wonders what you're going to say to the person, especially the African-American who's in their 20s today, who has a likelihood that they will get less back from Social Security than what they paid into it. What are you going to say to the person coming into the work place who will have essentially no assets when they retire?

Senator Moynihan and his commission has suggested you say to them, let them start to build a nest egg that is in addition to the Social Security benefit, a guaranteed Social Security benefit. But even as moderate a proposal as that, which was not even put out in the form of legislative language, is attacked in the most flagrantly partisan manner by the leadership of the House and the Senate. It is going to be hard to make substantive progress on the issue of Social Security if this is going to be the reaction of Senator DASCHLE and Congressman GEPHARDT.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

CONTINUUM OF CARE ASSISTANCE FOR HOMELESS INDIVIDUAL AND FAMILIES

Mr. REID. Madam President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be discharged from further consideration of H.R. 3699, and the Senate proceed to its consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 3699) to revise certain grants for continuum of care assistance for homeless individual and families.

There being no objection, the Senate proceeded to consider the bill.

Mr. REID. Madam President, I ask unanimous consent that the bill be read a third time and passed without any intervening action or debate, that the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

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

The bill (H.R. 3699) was read the third time and passed.

CHILD PASSENGER PROTECTION ACT

Mr. REID. Madam President, I ask unanimous consent that the Senate proceed to the consideration of S. 980, Calendar No. 317.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 980) to provide for the improvement of the safety of child restraints in passenger motor vehicles, and for other purposes.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce, Science, and Transportation with an amendment in the nature of a substitute to strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Anton's Law".

SEC. 2. IMPROVEMENT OF SAFETY OF CHILD RESTRAINTS IN PASSENGER MOTOR VEHICLES.

(a) *IN GENERAL.*—Not later than 12 months after the date of the enactment of this Act, the Secretary of Transportation shall initiate a rulemaking proceeding to establish performance requirements for child restraints, including booster seats, for the restraint of children weighing more than 50 pounds.

(b) *ELEMENTS FOR CONSIDERATION.*—In the rulemaking proceeding required by subsection (a), the Secretary shall—

(1) *consider whether to include injury performance criteria for child restraints, including booster seats and other products for use in passenger motor vehicles for the restraint of children weighing more than 40 pounds, under the requirements established in the rulemaking proceeding;*

(2) *consider whether to establish performance requirements for seat belt fit when used with booster seats and other belt guidance devices;*

(3) *consider whether to develop a solution for children weighing more than 40 pounds who only have access to seating positions with lap belts, such as allowing tethered child restraints for such children; and*

(4) *review the definition of the term "booster seat" in Federal motor vehicle safety standard No. 213 under section 571.213 of title 49, Code of Federal Regulation, to determine if it is sufficiently comprehensive.*

(c) *COMPLETION.*—The Secretary shall complete the rulemaking proceeding required by subsection (a) not later than 30 months after the date of the enactment of this Act.

SEC. 3. REPORT ON DEVELOPMENT OF CRASH TEST DUMMY SIMULATING A 10-YEAR OLD CHILD.

Not later than 120 days after the date of the enactment of this Act, the Secretary of Transportation shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the U.S. House of Representatives Committee on Energy and Commerce a report on the current schedule and status of activities of the Department of Transportation to develop, evaluate, and certify a commercially available dummy that simulates a 10-year old child for use in testing the effectiveness of child restraints used in passenger motor vehicles.

SEC. 4. REQUIREMENTS FOR INSTALLATION OF LAP AND SHOULDER BELTS.

(a) *IN GENERAL.*—Not later than 24 months after the date of the enactment of this Act, the Secretary of Transportation shall complete a