

There are lots and lots and lots of issues that face us high in the Rocky Mountains that are unique to the mountains or unique to the West, not found very often in the East, in fact, in some States not found at all.

So I look forward next week to discussing these issues with my colleagues.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2146, TWO STRIKES AND YOU'RE OUT CHILD PROTECTION ACT

Mr. DIAZ-BALART (during special order of Mr. MCINNIS) from the Committee on Rules, submitted a privileged report (Rept. No. 107-374) on the resolution (H. Res. 366) providing for consideration of the bill (H.R. 2146) to amend title 18 of the United States Code to provide life imprisonment for repeat offenders who commit sex offenses against children, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2341, CLASS ACTION FAIRNESS ACT OF 2002

Mr. DIAZ-BALART (during special order of Mr. MCINNIS) from the Committee on Rules submitted a privileged report (Rept. No. 107-375) on the resolution (H. Res. 367) providing for consideration of the bill (H.R. 2341) to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, to outlaw certain practices that provide inadequate settlements for class members, to assure that attorneys do not receive a disproportionate amount of settlements at the expense of class members, to provide for clearer and simpler information in class action settlement notices, to assure prompt consideration of interstate class actions, to amend title 28, United States Code, to allow the application of the principles of Federal diversity jurisdiction to interstate class actions, and for other purposes, which was referred to the House Calendar and ordered to be printed.

SOCIAL SECURITY TRUST FUND

The SPEAKER pro tempore (Mr. CANTOR). Under the Speaker's announced policy of January 3, 2001, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, let me say in the beginning that myself and other Democrats over the last week, and certainly over the next few weeks, will take to the floor repeatedly to bring up the issue of the Social Security trust fund, and our concern that the President and the Republican leadership in the House are very deter-

mined to push for changes in Social Security that would lead to privatization, and at the same time, the budget that the Republican leadership will bring up to the floor, I understand it will be coming up as early as next week, unfortunately goes into deficit and effectively spends the Social Security trust fund, once again, we have not had this for a couple of years, in order to pay for current expenses.

The Republican proposal to privatize Social Security, as well as the proposal to spend the Social Security trust fund for basically ongoing government operations unrelated to a retirement benefit, both of these proposals by the Republican leadership in the House and by the President, will undermine Social Security and make it more difficult for Social Security to remain solvent, and basically shorten the time before we face a crisis in Social Security when benefits will be cut or will no longer be available.

That is the concern that I and other Democrats have, and we will be speaking out against it because we believe very strongly that none of these things should happen, that we should not privatize Social Security and that we should not be spending the Social Security trust fund to pay for ongoing expenses.

Let me start, Mr. Speaker, by pointing out that Social Security is probably the most successful social program the Federal Government has ever implemented. It provides an unparalleled safety net for the vast majority of America's seniors. For two-thirds of the elderly, Social Security is their major source of income. For one-third of the elderly, Social Security is virtually their only source of income. And for these reasons, and a great many others, we must do everything in our power to protect and strengthen the existing Social Security program for the short and the long term.

Mr. Speaker, I gathered some information that gives us some idea about the importance of the Social Security program and also how successful it is, how unique it is, and I wanted to go through a little of that, if I could, in a little detail, not a great deal of detail.

Why is Social Security important? As I said, it is the single largest source of retirement income in the United States. For six in ten seniors, Social Security provides half or more of their total income. Among elderly widows, Social Security provides nearly three-quarters of their income, on average. And four in ten widows rely on Social Security to provide 90 percent or more of their income.

But it is not just a retirement income program. About 30 percent of Social Security beneficiaries receive disability or survivor benefits. We tend to forget that. We tend to think it is only a program for seniors. For a 27-year-old worker with a spouse and two children, Social Security provides the equivalent of a \$403,000 life insurance policy or a \$353,000 disability insurance policy. The

vast majority of workers would be unable to obtain similar coverage through the private market.

Social Security is also family insurance. It provides benefits for elderly widows and young parents who have lost a spouse. It provides a dependable monthly income to children who have lost a parent to death or disability. It even pays benefits to those who become severely disabled as children and remain dependent, as adults, on a parent who receives Social Security.

Now, a lot of people, and I find this to be often true about some of my Republican colleagues, they will say, Well, Social Security is just another government program, it is a waste of money, it is not administered well. We hear these kinds of criticisms. The reality is very different. There is no government program that is more successful than Social Security.

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It is the single most effective anti-poverty program. Its benefits lift over 11 million seniors out of poverty. Thanks to Social Security, the poverty rate of elderly persons is only 8 percent. Without it, nearly half of retirees would live in poverty. That was the case before we set it up. More than half of the people over 65 lived in poverty before Social Security came on board.

Over the course of its 67-year history, Congress has prudently managed the Social Security program. Each year the Social Security board of trustees issues a report showing short-range and long-range 75-year projections of the income and costs of the system. Congress uses these projections to balance the promise to pay future benefits against workers' desire and ability to pay for them, and it has adjusted the program periodically in light of changing economic and demographic conditions. So we have had to change it, but we have always changed it in a positive way.

Finally, I would stress that Social Security is administered very efficiently. Only one penny of every dollar Social Security spends is for administration. The rest goes directly to beneficiaries in their monthly checks.

Let me say just a few more things about the uniqueness of Social Security. It is nearly universal. Over 95 percent of all workers are covered by it. In contrast, less than 50 percent of workers have employer pension coverage on their jobs. It is also totally portable. It goes with a worker from job to job. Traditionally, private sector pension plans lose value if a worker changes a job. It is also, and this is very important, a defined benefit. That is, its benefits are determined according to the level of a worker's earnings and years of work.

So this type of pension system provides income continuity in retirement by replacing a fixed percentage of a worker's preretirement earnings. Benefits are paid as long as the worker and his or her spouse lives and the monthly