



Social Security Choice

SOCIAL SECURITY THIS WEEK

A WEEKLY NEWSLETTER ON SOCIAL SECURITY REFORM

WEEK OF NOVEMBER 18, 2005

Democrats Block Senate Vote on Personal Accounts

Sens. Rick Santorum and Jim DeMint were given floor time in the Senate on Tuesday night to discuss their proposals for Social Security reform. However, as expected, Democratic lawmakers prevented a vote on the matter, essentially ending the debate for the year. According to a report from the Associated Press, “Sen. Rick Santorum, (R-PA), said every attempt to reach across party lines on Social Security had ‘met with a partisan obstructionism that is as rock-solid as the marble before me on the rostrum’ in the Senate chamber.”

Senator DeMint added, “My Democratic colleagues oppose ownership. They want the government to continue to spend the money on other things.... They say it’s going to increase the deficit. Again, not true. All this does is make us honest with our accounting.”

Minority Leader Harry Reid, (D-NV), prevented votes on both measures—Santorum’s bill to guarantee benefits for those at or near retirement and DeMint’s “Stop the Raid” bill that would have created personal accounts from the annual Social Security surplus—by objecting to a motion by Santorum to schedule 10 hours of debate and floor votes for the bills early next year. According to *CQ Today*, rather than agreeing to debate the bills on their merits, Reid simply dismissed them as a “sham.”

A press release sent out by the Senate Republican Conference on Tuesday night quoted Sen. Santorum as saying, “Apparently, Democrats can’t stop using Social Security like a secret slush fund to pay for other programs. Republicans and the President believe it’s time to stop the raid and start saving Social Security funds for America’s workers. This plan would restore integrity to the program and restore trust with the American. Today is not the end, it is the beginning of a debate on the first step toward saving Social Security.”

Bill Thomas: Push For Reform Is Not Over

House Ways and Means Committee Chairman Bill Thomas, (R-CA), was unwilling to rule out the possibility for Social Security reform next year in an interview

late last week with the *National Journal*. Although his comprehensive retirement bill failed to move on Social Security reform, Thomas “would only concede that [the Social Security issue] hadn’t moved ‘yet,’” according to *National Journal*.

“Election years [like 2006] are the most opportune time to get things done,” Thomas said. “That’s why we got the Medicare [prescription drug bill] done.”

Centre Daily News: Fix Social Security Sooner Rather Than Later

An [editorial](#) in the *Centre* (PA) *Daily News* calls on Congress to act now, not later on Social Security reform. Responding to Senate Finance Committee Chairman Charles Grassley’s comments last week that Congress would be unlikely to revisit the issue until 2009, the editorial board on the *News* noted that although they are opposed to personal accounts philosophically, “Bush’s proposal did something useful: It forced Congress and the nation to confront, if only momentarily, a serious problem that will get worse by 2009: Social Security is running short on money to deliver on all its promises. The most recent estimate is that the Social Security Trust Fund will not be able to pay full benefits for retirees in 2041.”

The editorial continues, “Over the next 75 years, the gap between what retirees are promised and what the government can pay will total more than \$4 trillion. The longer Congress dithers, the more drastic any solution is likely to be.

“As the Social Security Administration’s chief actuary, Stephen Goss, told Congress earlier this year, ‘By enacting needed changes sooner, we will have more options to consider, be able to phase changes in more gradually, and give affected individuals more advance notice.’”

Publications

The National Center for Policy Analysis released two major studies on Social Security reform this week. “[Will the President’s Proposal Solve Social Security](#),” by Andrew Rettenmaier and Thomas Saving suggests a price indexing formula that could save taxpayers money and provides Social Security benefits at or above today’s scheduled levels. “[Social Security Reform: Responding to the Critics](#),” by Zijun Wang and Andrew Rettenmaier, looks closely at criticisms of personal accounts that suggest that some workers might lose money—the study finds that there are several provisions that could be adopted to eliminate that chance.

Upcoming Events

The Cato Institute will host a City Seminar entitled “Social Security: Where Do We Go From Here,” in Indianapolis, IN on Tuesday, November 29. The seminar will feature an address by Rep. Mike Pence of Indiana. The event will take place at the Westin Indianapolis from 8:30 – 10:00 am. For more information or to register for this event, click [here](#).

Please note that there will not be a new issue of Social Security This Week for the week ending November 25. Have a safe and happy Thanksgiving.

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