

of course, if you charge 3 cents on the dollar in taxes for every dollar of telephone use, that means every time you access your computer, access the Internet, it is costly.

Let us end that Spanish-American war tax. Let us repeal the telephone excise tax, and think about it if it is 3 percent, that means that your grandmother, who is on a limited income, who uses the telephone to call her grandchildren across this country is paying that 3 percent the same as the millionaire who may live across the street.

Ladies and gentlemen, it is a regressive tax as well, so we can reduce the costs for lower-income families, the Internet access by repealing the telephone excise tax.

Ladies and gentlemen, we have some big challenges before us and the new economy is contributing so much to the America's future, an economy that is driven by technology and an economy that has grown because government stayed out of the way. If we continue to want to see the new economy grow and technology provide greater opportunity for the American people, then I believe we need to continue that approach of a tax-free, regulation-free, trade barrier-free new economy.

We have some solutions. Solutions that promote education. Solutions that promote education as a way of contributing to the new economy. We also have solutions to address the so-called digital divide. I believe we need to provide digital opportunity in school, at home, and in the workplace, and that means we need to pursue a tax-free, trade barrier-free and regulation-free new economy, because that is what it is all about, digital opportunity for our kids and for our future.

Mr. Speaker, I appreciate the opportunity to address this House this evening.

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#### SOCIAL SECURITY

The SPEAKER pro tempore (Mr. GUTKNECHT). Under the Speaker's announced policy of January 6, 1999, the gentleman from North Dakota (Mr. POMEROY) is recognized for 60 minutes as the designee of the minority leader.

Mr. POMEROY. Mr. Speaker, I do not think I will take 60 minutes this evening.

Mr. Speaker, I want to commend my colleague, the gentleman from Illinois (Mr. WELLER) for a very interesting and thoughtful presentation preceding mine.

Mr. Speaker, I intend tonight to address the issue of social security. I am pleased to see that the candidates for president are each speaking to this vital issue, and I want in the next several minutes to present some background in terms of what is encompassed within the social security program, what are the strains on the program that need to be addressed in the

future, and how the parties differ on the early proposals for change they are advancing, things that we need to look at very closely to make certain that we have a strong social security program going forward.

Let me begin by talking about social security. First of all, the program passed in 1935. Someone suggested that of the many initiatives of Franklin Delano Roosevelt, social security remains in place as perhaps his most significant contribution to this country.

I like to think of social security as a program designed to respond to the unavoidable, completely inescapable risks each of us have as Americans: dying at a time when we have dependents; becoming disabled and unable to make a living; or outliving one's assets in retirement years, each a very serious right-to-the-core financial threat to us and our families.

Social security was built as a system whereby all of us as Americans insure each of us against these perils.

I think it is vitally important that we remember social security is more than a retirement program. There is going to be a lot of discussion, I guarantee Members, over the next many months, a lot of discussion about whether a person is making enough return on their social security payments, the taxes withheld from our paycheck for social security; is the return on that what we might make if we just had that money and could go and invest it in the market?

Most of that discussion does not acknowledge at all that in addition to the retirement benefit there is an insurance policy, essentially, that covers workers in the workplace if they die prematurely leaving dependents at home.

More than one in seven Americans today will die before their 67th birthday. It is very foreseeable that they would have dependents at home depending on them, depending upon the income that no longer comes in.

I know something about this particular coverage. When my father died with a sudden and unanticipated heart attack, just struck down, a complete shock to all of us, he had dependents. I was one of them, a teenager; my younger brother was another; my mother, a displaced homemaker without employment skills; all of us absolutely not just in an emotional state of shock, but without the resources to make it.

The social security checks came. I have been a social security beneficiary. This vital support from social security helped us stabilize and allowed my brother and myself to get an education, to go out and get careers; allowed my mother that period of time she needed to get a job skill, get into the work force so she could make it on her own.

That was what that social security survivors' benefit meant to my family, and that is a very, very common story. I would challenge anyone who really does not know about this survivors'

benefit in the social security program to ask around. They will not have to ask far to find out someone who has benefited when a loved one has died leaving them with dependents, and depending upon, therefore, social security.

Ninety-eight percent of the children in this country are covered under the survivors' benefit under social security, 98 percent.

As we look at issues like uninsured children for health and other issues, we design programs anymore that if they get half of that, we think it would be a smashing success. We literally have all but universal coverage of our children in this country if their dad or mom die while they are still in dependent years. That is something we do not talk about. Remember that survivors' benefit. It is a vital part of the protection social security provides.

Of course, we also have the disability coverage. Someone is working, becomes disabled, and can no longer make a living. What are they going to do? This is one of those core risks that social security responds to with its disability payment.

This was designed in the thirties. I had a grandpa who was smashed against a barn driving a team of horses. Members can well imagine the kind of disability threats that accompanied the hard physical labor in the thirties. But believe me, it is still very much part of the work force, very much with men and women going to work today.

In fact, if we just take 20-year-olds at a time in their lives where they are the strongest, healthiest, and have their career years right in front of them, it is pretty sobering to think that three out of 10 will at sometime in their lives become disabled and unable to work before retirement, three out of ten 20-year-olds today. That is the kind of risk that is associated with disability.

If you are in the work force, working for a living, getting by on your own, you become disabled and unable to pull down that paycheck, that is a very important coverage of social security.

There is private disability coverage available. It is expensive. It is medically underwritten. Most do not have it. In fact, three of four workers in the work force today, 75 percent of men and women going to work today, only have social security if they become disabled. But that is another thing we really do not talk about as being wrapped into social security.

Next time we hear somebody at the work force talking about, well, I am just not making on that social security money what I could make in the stock market, just ask them what they think the value of having coverage for their kids is if they get killed on the way home from work in an auto accident; or if tomorrow they have a stroke and they cannot work anymore, what the values of those coverages are like. Let me tell the Members, it improves the

return on that social security investment very, very significantly immediately.

Of course, the hallmark, the feature that social security is best known for, is its survivors' benefit. On average, social security pays \$800 a month for individuals in retirement, \$800 a month. It is not enough to live comfortably on at the margin one can get by on if that is all they have, so there is a tremendous pressure to do more, with social security as the foundation for retirement income and more, retirement savings; even earnings, and we have lifted the earnings cap so people can earn whatever they can earn once they get 65 and their social security starts, because we want to help people get a comfortable income in retirement.

The reality is that \$800 a month, that is more than 50 percent of the income for more than two-thirds, more than 66 percent, two-thirds of Americans receiving social security retirement payments. For one-third, the millions that represent one-third of social security retirement retirees, that social security check is all they have got. More than half of the income for two-thirds, that is all they got, for one-third.

Let us face it, that \$800 a month average payment, it may not seem like a lot to some, but to some it is everything. That is why, when it comes to social security, we have to be very, very serious and careful because it is the retirement foundation. I do not believe it is one place where we should add risk, more risk, to Americans than we already have about our retirement savings earnings.

Social security at its formation was never intended to be a retirement plan, a stand-alone, this is all you need, live happy, plan. That is not what it was supposed to be. It was supposed to be the foundation. It continues to be just the foundation. No one aspiring to living on \$800 a month in retirement years is looking at a standard of living that they might more fully aspire to. We need retirement savings in addition to achieve that. Let us just talk about how that one is coming along.

We know that Americans' savings rate, their household savings rate as measured by the Department of Commerce is at its lowest point since the Depression. The February statistic of .8 percent was the lowest retirement savings rate since the Depression. Between World War II and 1980, it averaged 8 percent. Now it is .8 percent.

We are on a spending binge. I worry a lot about it. I think we need to try and encourage more savings in this country so people can live comfortably in retirement.

If personal savings is not getting the job done, let us take a look at, are people saving in the work force, do they have their 401(k)s or whatever they have at the workplace that will help them save for retirement?

Here the news is also very, very disturbing. One-half of the workers in the work force have no retirement savings

plan at work, even a 401(k) where the boss does not kick in anything. They do not even have that. They have nothing, nothing at work, so no personal savings and no savings plan at work for 75 million. Fifty million Americans have no retirement savings whatsoever, another statistic that we know.

We know that more than half of all Americans have never calculated whether the savings that they have is going to match their expected need in retirement years. That can be pretty sobering. Maybe they stick a couple of hundred in now and then, maybe they get \$1,000 in the tax return that people manage not to spend and put that in and they figure, well, we are working away at it.

For the average man reaching the age of 65 today, he has 15 more years that he has to figure out how he is going to finance. For the average woman, it is even more telling, 19 additional years. They can expect 19 additional years once they have reached the age of 65. Yet, more than half of all Americans have not calculated whether they are saving enough with their workplace retirement plan and other savings to meet those needs in retirement.

There is another evolution going on. Even within those places where there are retirement plans at work, we are going to a new design of plans. We are going away from the old pension plan where, no matter how long you live, you had that guaranteed pension payment. We are going more to what is called a defined contribution model, where what you will have to sustain you in retirement is dependent upon what you have saved and how well you invested.

Unlike the old days when you did not have an investment responsibility, you now do have an investment responsibility under those 401(k) plans. We know some use it well and some do not use it well.

We also know that for the millions that are depending upon their 401(k) plans to sustain them in retirement years, those amounts may not be up to the test. Remember, there are literally lots and lots of years to account for once a person reaches the age of 65. Yet, a February year 2000 study by the Employment Benefits Research Institute shows that 47 percent, 47 percent of the 401(k) plans have less than \$10,000 in them. The average account balance on average is \$47,000. Now try to sustain a comfortable living for 19 years if your balance is somewhere between \$10,000 and \$47,000. It is one mean trick, let me say.

That is why we keep circling back to social security. It is the foundation. It must remain. We cannot have additional risk jeopardizing even that payment because we know we have all kinds of trouble on the private retirement savings side.

I think the conclusion we can draw from all of this is that Congress has to pay attention to private retirement

savings. We have to make it easier for people to save individually for retirement savings. We have to help modest income households even under tight discretionary income circumstances save for retirement.

We also have to do more to help employers across this country offer retirement savings plans for their work force. Sometimes Congress has been guilty of putting in place way too much rigmarole and regulation. We have actually discouraged the very retirement savings that we want to encourage. We need to address that. That has to happen on the private retirement savings side.

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But now we get to Social Security. Where are we standing on this one? Well, I am pleased to say that over the years I have been in Congress working on Social Security, the solvency outlook for Social Security has improved significantly. I do not claim full credit for that. It is a feature of our robust economy. It is a feature of more people in the workforce paying payroll taxes. And as a result, the solvency of this program has improved almost 10 years from only 2 or 3 years ago.

The strain, of course, on Social Security is that we do not have an evenly allocated age range across the population of the United States. We have got this bulge, the much-discussed baby boomers. And while we are in the workforce today, and I am one of them, we are going to move into retirement in disproportionate numbers. The number of active workers today is three to one. And by the time all the baby boomers retire, it is going to be two workers per retiree. That is what causes the strain on this Social Security program.

The earlier projections were that the surplus that has been generated will be completely exhausted by the year 2029, just when the baby boomers really are fully into retirement. Again, because of the increased participation in the workforce, low unemployment, a sustained record-setting economy in the history of this country, we have generated significant contribution to Social Security beyond what was anticipated by the actuaries even 3 years ago, and the most recent projection is that the Social Security Trust Fund will not be exhausted until the year 2037, and that is if nothing whatsoever is done with it.

At the time, 2037, benefits fall 30 percent. It is not as if Social Security payments stop, but they are funded only by the payroll tax coming in. That is not enough to fully make those payments, so benefits collapse 30 percent. Therefore, we need to take action. And anyone that knows something about this is going to say: The earlier we take action, the less painful it needs to be to make the fixes to sustain Social Security for the long haul.

So that is the backdrop to the presidential debate on Social Security that

we will have in this upcoming election year. It is an absolutely vital program for Americans. It pays not just retirement, but survivors benefits and disability benefits. Its solvency has improved, and improved quite significantly, in recent years in light of the very healthy economy that we have had. But we have a shortfall and we have to address it.

Let us take a look at the competing proposals to address Social Security. Vice President Al Gore has advanced a proposal that basically captures the strengths of our existing economy. He holds absolutely secure all of the surplus being generated by Social Security. And, again, that surplus is because we have got a three-to-one ratio, three workers per retiree. So as we generate the Social Security withholding taxes, we are generating a lot more surplus than required to pay the benefit.

The Vice President would first of all hold that surplus secure for Social Security. He would use the surplus dollars to retire and eliminate completely the Federal debt owed by this country. He would save the money that the Federal Government now pays in interest on the debt, and commit it to the Social Security program.

Let me go through this again. Here is the Vice President's plan: Hold Social Security surplus secure; eliminate the Federal debt; calculate the amount of money that the Federal Government has been paying in interest and, because there is no debt and that money is not owed in interest anymore, take that amount and pay it into the Social Security program to sustain it well through the middle of the 21st century.

Some might say, wait a minute, we have Social Security taxes for Social Security and now we are going to take general fund revenues for Social Security? Absolutely appropriate. It is the Social Security surplus that is retiring the national debt, and this debt payment out of taxpayer dollars is staggering. To think that nearly 15 cents out of every dollar, just 15 cents of every dollar, take the first \$15 in taxes out of \$100, goes to pay interest on the debt. We are going to eliminate the debt. Eliminate it and then take that surplus, commit it to Social Security, take that savings, commit it into Social Security so that while preserving the full benefit structure, Social Security is with us through the life span of the baby boomers.

Mr. Speaker, I was born in 1952. A Social Security solvency program that gets us through the year 2050 takes care of me, believe me, and most of my peers in the baby boomer age group.

In the event there continued to be solvency issues past the middle of this century, we can address them. But I think making this strong commitment, given the sound economy of this country, to paying down the debt, capture the interest savings, invest in Social Security so it is there through the middle of the century and beyond, these

are the hallmark of the Vice President's plan. I think they are solid principles for Social Security. They absolutely preserve it as the income bedrock for Americans and that is what we have to do.

Against that backdrop, the Bush plan, quite frankly, has caused me a great deal of concern. Although it is very sketchy and we hear that there may or may not be greater detail provided about the Bush plan, we know that he would basically carve up the program and create for each Social Security recipient an amount they could voluntarily elect as a private account.

Now, who would not like additional private account on top of our individual retirement assets? If someone would say to me, "You want an additional 2 percent in retirement savings to play around with invest and make some return?" Sure, what do I have to give up? And this is the critical thing.

To the extent that we invest our resources in an individual account, we subtract from the guarantee to the program. Now, there are those that advocate this private account business that say: No problem. We are going to make it a heads-you-win-tails-I-lose situation. If the individual account does not perform spectacularly, giving you more money than you know would otherwise have, the Federal Government is going to pony up the difference. So we have literally a no-lose situation. That sounds great.

But, Mr. Speaker, sometimes things that sound so great need a little closer inspection. I used to be an insurance commissioner. My colleagues would not believe some of the sales pitches that I have seen behind complex financial instruments. The fact is I disallowed a lot of them because they were not fundamentally honest. I do not think that promises of that nature that are not based on sound economics, I do not think those promises are fundamentally honest either.

Let us talk about the totality of the Bush economic plan and see whether this could possibly work. First of all, we know that instead of tackling that debt and eliminating it, the foundation of the Bush economic plan is a massive tax cut, even larger than the House passed and the President vetoed last fall. A tax cut that would basically take all of the non-Social Security surplus and eliminate it from the Federal budget.

Then he would create these individual accounts. And if we are doing our math, at this point we are thinking, let us see. The general fund revenue is gone. And then there is the individual account, and that has got to carve into the Social Security guarantee, but they say it will not. So how do we fund that part?

Well, Mr. Speaker, it really has not been made clear. Some of the options, frankly, if we do not have the revenue, would have to include benefit reduction, expanding the retirement age, not actually funding that backstop, that

guarantee that we cannot do worse under this program. All of those are really core questions I think that have to come into the proposals advanced by George W. Bush.

I give him credit for talking about these issues. These are complicated, controversial issues and I think it is good that he has advanced them as part of his campaign for President. But then it is our responsibility to look at it and ask the questions.

Quite frankly, we do not have the dollars. We do not have the dollars with the tax cut he proposes to take the general fund revenue and the additional 2 percent commitment that he makes out of the Social Security revenue. We do not have the dollars to continue that base guarantee.

The bottom line is at a time when we have inadequate savings for retirement on the private side, we have individual workers in the workforce taking more and more risk for their retirement by whatever employer program they are covering, at a time when Social Security checks average \$800 a month, and we know that Americans have more and more life expectancy to try and make on that kind of income, we know that the Bush plan adds uncertainty into the Social Security picture.

The investment counselors would say investors should allocate risk. There is a spectrum of risk in investment strategies, from the high-tech on the risky side down to the bonds on the low end side and that way we kind of protect ourselves. We protect our investment picture. I think we need to look at retirement income similarly.

Mr. Speaker, with retirement, we are going to have the high-risk stuff, and that is going to be including the private savings that we might have on a tech stock. It will include the kind of risky stuff that might be an aggressive portfolio of our 401(k). And then it has to include the bedrock, absolutely safe stuff, and that has to be the Social Security program.

So this is not a place and we do not add risk on top of risk. We backstop more risk by maintaining the foundation, and that means keeping Social Security, keeping the commitment, keeping the retirement age, keeping the defined benefit guarantee that there is a payment there every month that we cannot outlive. And it is up to us not just to see this program, I think, for retirement needs of those now in retirement or those of us in the baby boom generation about to come on to retirement, but for our children and grandchildren as well.

Mr. Speaker, for that reason this Social Security issue teed up in the presidential debate will be generating a great deal more discussion, and I thank you for giving me this time to advance these ideas tonight.

# TRIBUTE TO D.C. FIRE CHIEF TOM TIPPETT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Pennsylvania (Mr. WELDON) is recognized for 60 minutes.

Mr. WELDON of Pennsylvania. Mr. Speaker, a terrible tragedy occurred on Friday of last week. The District of Columbia fire chief resigned his position. I have known Tom Tippet for a number of years. I have come to respect him and admire him, as do all of those firefighters, men and women, who serve in local 36 of the D.C. Fire Department Union.

Tom Tippet is a true firefighter. I first met him about 12 years ago, shortly after I first came to Congress and decided to try to work the issues involving fire and life safety in this country. To create a better awareness among our colleagues about the role of the firefighter in our inner-city areas, I started a tradition that each year would take our colleagues on a volunteer basis and have them run with one of the busiest D.C. fire stations.

Mr. Speaker, one of those nights we assigned a group of Members to run with Tom Tippet's station, a truck company and a rescue company that was at that time the busiest station in D.C. As Members of Congress in their jeans and shirts, with their running gear assigned by the Department, sat in the station talking to firefighters and responded throughout the evening to drug dealings, shootings, emergency trauma situations, fires, accidents, HAZMAT disasters, every kind of incident we could think of, all of us were in awe, Democrats and Republicans, of the job these people do every day.

Since that time, I have worked with Tom in a number of capacities. He became the President of the local here in the District of Columbia. And then when an opening occurred last year, he was offered the temporary assignment of serving as the District of Columbia Fire Chief.

He did an outstanding job, Mr. Speaker. When he took over the role of the chief, he said he would do it, but would have as his ultimate goal the objective of improving the life safety for the firefighters who he now had responsibility for.

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The safety and well-being of fire fighters and EMS personnel across America is a major issue, Mr. Speaker. In fact, each year, we lose over 100 fire and EMS personnel, most of them volunteers, because the bulk of our Nation's fire fighters are volunteers, in the course of their doing their job. Over 100.

In fact, the D.C. Fire Department has lost three fire fighters within the last 3 years. In fact, Mr. Speaker, following a fire several years ago that took the life of one of D.C.'s finest, a fire where that life probably should have been able to be saved, a series of recommendations

were made, recommendations following the death of fire fighter and Sergeant John Carter.

John Carter's widow was at the press conference today where we called for action to restore these cuts that were made to the D.C. fire department. John Carter was a dedicated professional. He left behind a widow and a 10-year-old son. He died in an unfortunate circumstance that probably could have been avoided, as did two of his colleagues who died almost 1 year ago in May of last year.

Following the death of John Carter, the Committee on Appropriations of this body in its legislative language in last year's bill put in the following item, and I will quote from this bill which is actually District of Columbia Appropriations bill for the year 2000 passed in this body on July 22, 1999. This is what it says, "The Committee encourages the District to provide funding for two critically important safety measures that were developed by the fire department internal committee following the death of Fire Fighter John Carter 2 years ago. These safety measures include restoring the aide to the battalion chief within the fire fighting division and increasing staffing levels to at least five fire fighters on ladder companies.

"The mission of the fire and emergency medical services department is to improve the quality of life to those who choose to live, work, visit, and do business in the District of Columbia by preventing fires before they occur, extinguishing those fires that do occur, and providing emergency medical and ambulance service."

This was in the law that we passed last year in response to the death of Fire Fighter Carter.

Unfortunately, Mr. Speaker, last year we saw two additional deaths of D.C. fire fighters. In fact, in a fire that occurred on May 30, 1999 at 3146 Cherry Road in Northeast, two fire fighters paid the ultimate price, and they left their families behind.

In fact, Mr. Speaker, I came down to Washington at the request of the local fire department along with the gentleman from Maryland (Mr. HOYER), and we joined the thousands of fire fighters, both locally and nationally, who came to pay their respects to these two brave individuals.

There was a second study done, Mr. Speaker, following this fire. I will enter into the RECORD the report of that fire from the Reconstruction Committee, as follows:

DISTRICT OF COLUMBIA FIRE AND EMERGENCY MEDICAL SERVICES DEPARTMENT—REPORT FROM THE RECONSTRUCTION COMMITTEE

REGARDING FIRE AT 3146 CHERRY ROAD, NE, WASHINGTON, DC, ON MAY 30, 1999

Incident Commanders need to follow the Incident Command System and sector every incident immediately upon arrival. This will reduce fireground confusion and allow the Incident Commander to quickly contact sector leaders to determine the locations of companies in their sectors.

The Safety Officer should not conduct roll calls. Instead, a member of the Incident

Command Staff (e.g., a battalion chief aide) should conduct roll calls.

The Training Academy must conduct ongoing training and evaluation of fire fighters and fire officers to ensure that all Department personnel respond properly to roll calls. Roll call training must be part of recruit training, company level drills and training academy refresher courses.

## FIREGROUND COMMAND

Problem—Command Post Location.—Battalion Fire Chief 1's vehicle was not in a position to allow him an adequate view of the incident. Battalion Fire Chief 1 unsuccessfully attempted to relocate the vehicle to obtain a better view, then left his vehicle and proceeded to the front of the building. Battalion Fire Chief 1 never established a fixed command post.

By leaving his vehicle, BFC-1 abandoned the stronger car-mounted mobile radio and was forced to communicate using a weaker portable radio. The use of a single portable radio also caused missed messages, due to switching back and forth between fireground and dispatch channels. In addition, it was impossible to maintain the command chart from a roving position.

Recommendation.—Incident Commanders must establish fixed command posts. A fixed position allows for better communication, tracking of companies and a better environment for decision making. The Incident Commander should use either his/her vehicle or another emergency vehicle that is more suitably located for this task. The command post should allow a view of the building that includes at least one, and preferably two, sides. The use of a fixed command post allows the Incident Commander to simultaneously monitor multiple radio channels at greater signal strength as well as access to both mobile and portable radios.

Problem—Changing Tactics.—Extinguishing this fire involved a change in tactics from a front to a rear oriented attack. This change in tactics required close coordination and communication between BFC-1 and the front and rear fire suppression teams. Battalion Fire Chief 1 was unable to coordinate front and rear teams because he lacked information, particularly the location of engine company crews.

Recommendation.—Proper management of the fireground requires the assistance of a battalion chief's aide. This position was restored on December 19, 1999. Department should continue the position of battalion chief's aide and their role includes the following: Assist in the coordination of fireground activities; gather critical information for the Incident Commander; allow the Incident Commander to sector the incident sooner; handle specific tasks, such as accountability, as directed by the Incident Commander; improving fireground communications.

The position of battalion chief's aide is important to fireground safety. All personnel should understand the function of this and other command staff positions through training in the Department's Incident Command System.

Problem—Sectoring.—Battalion Fire Chief 1 never sectored the fire or properly used a tactical worksheet. He was quickly overwhelmed trying to manage this escalating incident. BFC-2 was assigned to the rear, however, he was never assigned any companies nor were specific companies directed to report to him.

Recommendation.—Incident Commanders must follow the Department's Incident Command System procedures on sectoring an incident and use command charts at all incidents. Sectors must be established in the early stages of all emergency incidents. Sector leaders must be assigned companies for