

United States Senate Committee on Finance

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BAUCUS-GRASSLEY LEGISLATION WILL LIMIT PUBLIC TRUSTEES FOR SOCIAL SECURITY, MEDICARE TO SINGLE TERM

Washington, DC — U.S. Senators Chuck Grassley (R-Iowa) and Max Baucus (D-Mont.) today introduced legislation that would limit public trustees for Social Security and Medicare to a single four-year term of service. The bill will also codify a requirement for presidential consultation with Congress on the nominations of public trustees for these programs. Grassley is Chairman and Baucus is Ranking Member of the Senate Committee on Finance, which is responsible for Social Security and Medicare legislation and oversight.

The Senators' bill comes on the heels of the President's reappointment, during the April recess of Congress, of two public trustees whose terms were completed and expired in 2005. Because of the timing of the recess appointment, both public trustees will be able to serve through 2007 and sign two additional trustees' reports.

"This is a small board, and every member carries a lot of weight," Grassley said. "It's important to have new people every four years to represent the taxpaying public's perspective on challenges facing two of the most successful government programs in history."

"Never in the history of the public trustees have appointees served more than one term, and that's for good reason. Fresh thinking and new ideas are critical to the proper assessment and administration of the Social Security and Medicare programs," said Baucus. **"If administrations will not voluntarily follow this vital precedent, or respect the proper oversight role of Congress in the choosing of public trustees, these principles can be written into law."**

In a letter to President George Bush last week, Grassley and Baucus said that Dr. John Palmer and Dr. Thomas Saving should be asked to resign their positions to make way for new nominees. The annual report of the Board of Trustees for Social Security and Medicare was released earlier this week, and was signed by Palmer and Saving despite the fact that they did not serve as public trustees during the report's preparation. The report indicated that Social Security will be able to pay full benefits until the year 2040. It also stated that the Medicare hospital trust fund will be depleted two years sooner than previously estimated, in 2018.

The legislation introduced today is expected to be referred to the Senate Committee on Finance.

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