

United States Senate  
WASHINGTON, DC 20510

March 3, 2005

The President  
The White House  
1600 Pennsylvania Avenue, NW  
Washington, DC

Dear Mr. President:

We write in the hope that we can achieve a bipartisan agreement to strengthen Social Security for the long term and enhance the retirement security of all Americans.

Soon after your reelection, you made clear that your Administration's top priority is to move toward the privatization of Social Security. Your proposal would cut Social Security's funding by diverting payroll taxes into privatized accounts, which would weaken the program and force deep cuts in benefits. Your Administration also acknowledged that the proposal would require borrowing trillions of dollars, much of which we know would come from foreign countries like China and Japan.

Democrats in the Congress believe this approach is unacceptable, and it appears that most Americans agree with us. Funding privatized accounts with Social Security dollars would not only make the program's long term problems worse, but many believe it represents a first step toward undermining the program's fundamental goals. Therefore, so long as this proposal is on the table, we believe it will be impossible to establish the kind of cooperative, bipartisan process we need to truly address the challenges facing the program many decades in the future.

We were encouraged that Treasury Secretary John Snow suggested that you might be willing to abandon your privatization proposal and move instead to an alternative approach in which investment accounts would be established entirely separate and apart from Social Security. As you know, many Democrats, including President Bill Clinton, have advocated just such an approach, with benefits targeted to working and middle class families who need help the most. So long as such accounts remain entirely independent from Social Security and do not put the program's guaranteed benefits at risk in any way, we believe they deserve serious consideration as part of a broader effort to promote retirement security.

While Secretary Snow's suggestion was initially encouraging, subsequent reports indicate that you remain committed to your privatization plan and his public comments were little more than a tactical maneuver. According to a story in today's Washington Post, "White House officials are privately telling Republicans that Bush is opposed to the idea [of accounts outside of Social Security], but does not want to say so because it would appear he is not willing to compromise."

Given the conflicting and ambiguous reports on such a critical issue, we urge you to publicly and unambiguously announce that you reject privatized accounts funded with Social Security dollars or otherwise linked to the provision of guaranteed Social Security benefits. Such a statement would eliminate a serious obstacle to the kind of bipartisan process that Democrats are seeking to deal with Social Security's long-term challenges and to improve the retirement security of all Americans.

Thank you for your consideration of our views.

Sincerely,

Howard Stern

Max Baucus

Jack Reed

Nikki Sabatini

Ed Kennedy

Chris Se

Jeff Vanier

Patrick Leahy

Hillary Rodham Clinton

Patty Murray

Barbara Mikulski

Debbie Stabenow

Ken Salazar

Mark Pryor

Dianne Feinstein

Mark Dayton

Dick Durbin

Samuel L. Dwyer

Samuel

Paul Sarbanes

~~Robert D. Boyd~~

Herb Kohl

Bill Nelson

Joe Biden

Jim Jeffords

Bill Clinton

Tom Harkin

Samuel R. Packa

Earl Byrd

Jay Byrd

Ron Wyden

Clinton

Joe

Joe

Tom

Obama

The President  
March 3, 2005

Page 4

Thank R. Lautenberg Carl Levin

By Andrew  
J. Liberman

Michael L. Carter

Blanche R. Lincoln

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_