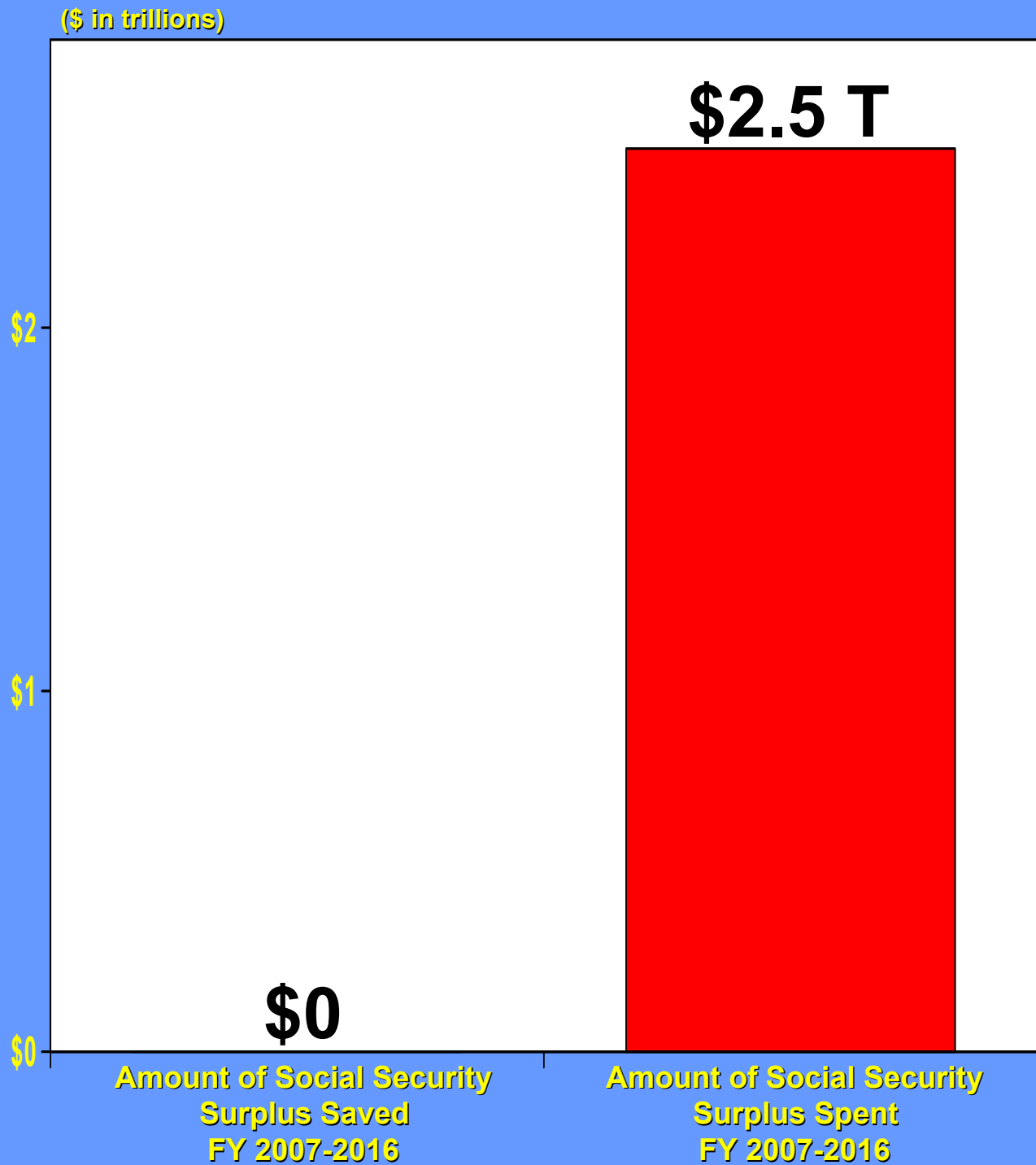


President Bush Promised to Protect Social Security

**“None of the Social Security surplus
will be used to fund other spending
initiatives or tax relief.”**

– Excerpt from President Bush’s FY 2002 Budget
A Blueprint for New Beginnings

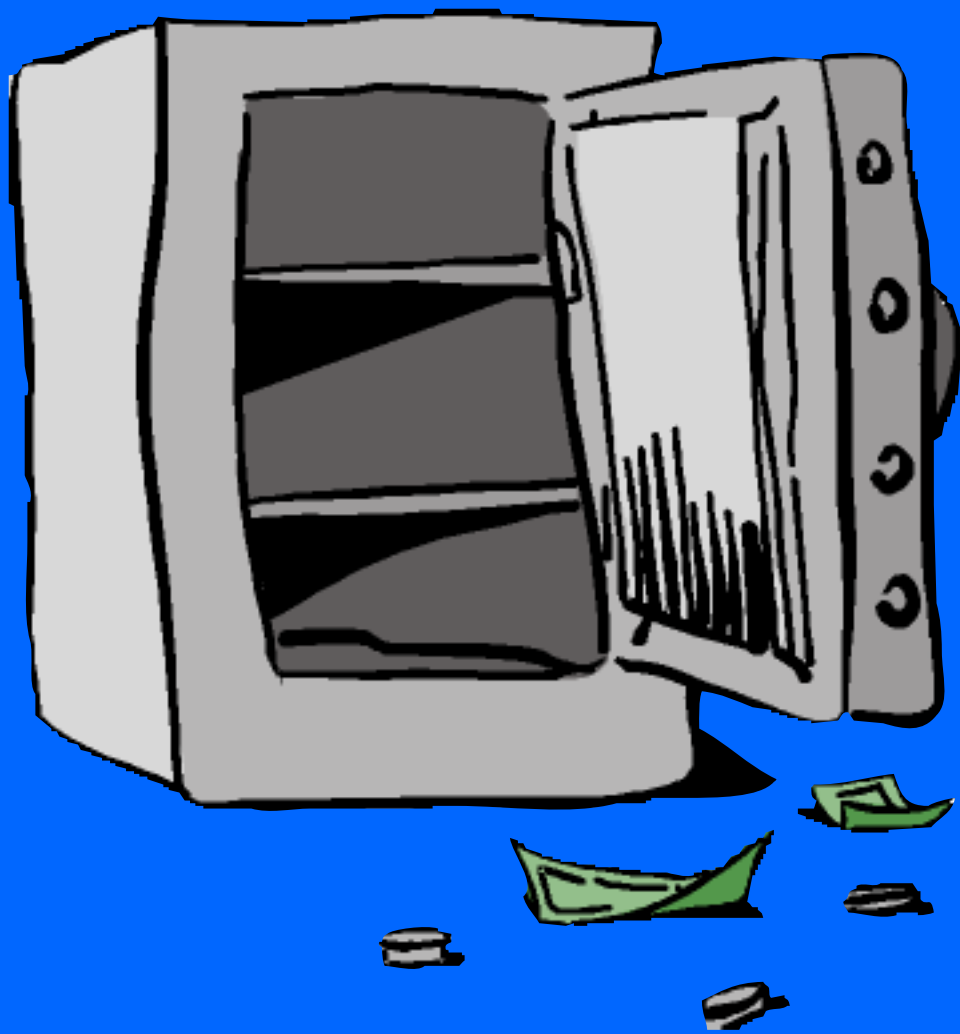
Under Bush Policies, Every Penny of Social Security Surplus Spent



Source: CBO

Note: Amount of Social Security surplus spent on tax cuts and other things, instead of saved to prepare for retirement of baby boom generation.

Current Budget Policies



**Not a Penny Saved for
Social Security**

What Does GOP Budget Process Proposal Mean for Social Security?

- **Creates new fast-track procedures which can be used to cut Social Security benefits, raise Social Security taxes, or privatize Social Security**
- **Puts Social Security back “on budget” to mask deficit and meet GOP deficit targets**
- **Allows President to target important Social Security improvements (such as funding to conduct continuing disability reviews, to administer Medicare Part D low-income subsidy, and to verify citizenship for Social Security numbers) for elimination through fast-track line-item rescission authority**

Do These Controversial Proposals Deserve Fast-Track Consideration With Approval By Simple Majority Vote?

National Bipartisan Commission on the Future of Medicare, 1998-1999

- Increasing eligibility age from 65 to 67
- Capping government contribution to health insurance for elderly and disabled – forcing beneficiaries into cheap HMO's

President's Commission to Strengthen Social Security, 2001

- Creating private accounts funded by borrowing trillions of dollars
- Cutting traditional benefit 46 percent by implementing price indexing, rather than wage indexing

Conrad Amendment to Protect Social Security and Promote Honesty in Budgeting

- **Reaffirms “off-budget” status of Social Security and creates a 60-vote point of order against putting Social Security back on-budget**
- **Prohibits using Social Security trust fund to mask true size of deficit for purposes of setting and enforcing new deficit targets in GOP budget process bill**
- **Creates a 60-vote point of order against making changes to the Social Security program in any bill under expedited/fast-track consideration procedures**

Congress Put Social Security “Off-Budget” to Promote Fiscal Discipline

“[I]n 1990, reacting to criticism that surplus Social Security taxes were masking the size of budget deficits, Congress enacted further measures to separate Social Security from formulation of the budget . . . to discourage tax reductions or spending increases that would increase the size of the deficits.”

**– Congressional Research Service
“Social Security and the Federal Budget: What
Does Social Security’s Being ‘Off Budget’ Mean?”
August 29, 2001**