

FOR RELEASE: June 22, 2000

Paul Praises Congress for Passing "Lockbox" Act and Protecting Medicare *Calls on Colleagues to Join in True Social Security Reform*

Washington, D.C. - On Tuesday the House of Representatives passed the "Social Security and Medicare Safe Deposit Box Act" (HR 3859), which required a two-thirds majority, by voice vote. Congressman Ron Paul praised members of both parties for joining him in protecting Medicare and senior retirement. Paul states: "Last year alone, Congress took \$21 billion out of Medicare to pay for their unconstitutional, pork-barrel spending. Years of this kind of activity have left the government owing more than \$150 billion to the Medicare Part A Trust Fund. That amount is enough to cover the annual medical costs of over 46 million American seniors. The 'Lockbox' legislation will keep politicians and bureaucrats out of Medicare and ensure our seniors have access to health coverage." The "Social Security and Medicare Safe Deposit Box Act" is a simple piece of legislation designed to protect the sizable surplus created by Medicare Part A payroll taxes. This surplus is expected to reach \$242 billion over the next ten years. The Act mandates that additional revenues collected can be spent only for reducing the national debt or strengthening current Social Security and Medicare programs. Without this "Lockbox" on Medicare funds, Congress will continue to spend the surplus on other programs not related to Medicare or Social Security. While he was encouraged by his colleagues' vote on Tuesday, Paul warns that there remains a great deal of work to be done in the area of true Social Security reform. Paul is concerned especially with protecting the pensions of retirees in the Social Security Trust Fund. Earlier he introduced the bipartisan "Social Security Preservation Act" (HR 219), which will make it illegal for the Trust Fund to be used for anything other than paying pensions to seniors. "We must now move forward and protect the trust fund from politicians, so that we can guarantee our senior citizens' retirements will be waiting for them when they retire, said Paul. "The 'Social Security Preservation Act' will restore America's faith in their retirement. This bill has already received extensive bipartisan support. I call on every member of Congress to join me in taking a stand for America's seniors and protecting the Social Security Trust Fund."

