Testimony of Congressman Vito Fossella

I want to commend Chairman Thomas, Subcommittee Chairman McCrery and the Ways and Means Committee for their leadership on developing a plan to guarantee the long-term solvency of Social Security. President Bush has dedicated the past six months to educating the American people on the structural problems of Social Security and the need to improve the system so that the promise of this federal covenant is renewed in this new century.

My great-grandfather, Congressman James O'Leary, represented Staten Island in the 1930s. He voted to create Social Security. Today, I am prepared to carry on his work by working with Democrats and Republicans to find common ground that will allow our generation to renew this sacred covenant.

Since this debate began, I have held a series of meetings in my office with residents, civic groups, business people and unions to solicit their opinions on Social Security and gain feedback on ways we can improve the system. While the opinions I have heard span a wide range, there has been one consistent message: Social Security faces a long-term funding crisis that cannot be ignored.

The politicization of the issue has been disappointing to me. While I can appreciate legitimate criticism of different proposals, I find it untenable when criticism is coupled with obstruction or with no ideas at all.

I applaud James Hoffa, the President of the Teamsters Union and who opposed President Bush's re-election last year, said, "Social Security is a major problem in this country. We have to make sure that it's preserved for those that come after us."

I believe we can find a bipartisan solution to strengthening Social Security if politics is cast aside and the best interests of the American people take priority.

I enter this debate with certain fundamental principles: I would not support any real reduction in benefits for today's seniors and baby-boomers. I also do not believe massive tax increases are the solution to fixing Social Security's long-term financial problems.

I remain skeptical about aspects of the progressive indexing proposal. While I, too, believe we need to take action to protect our most vulnerable seniors, I do not believe that the progressive indexing plan I have seen is in the best interests of the people I represent in Staten Island and Brooklyn. It is not a proposal I am inclined to support.

The issue of personal accounts has generated the greatest amount of controversy. I believe that Congress' priority is to ensure the long-term solvency of Social Security. Therefore, I believe we need to focus on issues of solvency ahead of all other issues related to Social Security, including personal accounts. As I have said many times before, I can support a reform plan with or without personal accounts, provided it is the right plan to restore Social Security to firm financial footing and protects the people of Staten Island and Brooklyn.

At this time, I am watching the fine work of this Committee and Subcommittee, awaiting the opportunity to review all the plans put forward and look at which plan, if any, guarantees Social Security will be solvent today, 50 years from today and 100 years from today.

I strongly commend the Committee for its attention to issues of retirement security – an area that I, too, am exploring in great detail. I believe Social Security reform must include enhancements to other savings vehicles, such as increasing contribution levels to IRA's and 401(k)'s. And I look forward to working with Chairman Thomas, Chairman McCrery and all Members of the Congress – Democrats and Republicans -- to ensure that the American people are secure in their retirement.

Thank you.