

conclaves of Wall Street bond traders, but on March 22 he was talking about Social Security in Oxford, Miss.

The Treasury Department has hired four full-time employees to help run the show, including establishing a new Web site, www.strengtheningsocialsecurity.gov, and a war room, dubbed the Social Security Information Center.

Yesterday, Treasury held a first-ever "radio day," opening its ornate Cash Room and 28 administration officials to nearly 30 radio talk-show hosts.

"Strengthening Social Security for future generations is a top priority for this administration, and the policy campaign underway reflects that," Treasury spokesman Robert Nichols said.

The administration has declined to estimate the cost of the entire operation. Nichols said four Treasury officials, including Secretary John W. Snow, are flying coach on commercial airlines at the government rate, pulling funds from the department's \$3 million travel budget.

The White House, Social Security Administration, Small Business Administration and departments of Health and Human Services, Labor and Commerce are tapping their own travel budgets. According to the law, each agency will report to Congress at the end of each quarter the costs of senior officials' travel.

Those costs have not escaped congressional attention.

"Currently, no one in Congress or the public knows the full extent and cost of the federal resources being devoted to promoting the President's Social Security agenda," Waxman wrote.

Even Republicans raised their eyebrows when they heard new employees were brought on for the campaign, said a House Republican staff member, who spoke on the condition of anonymity to avoid embarrassing the president.

The costs are likely to be substantial. A rough calculation of commercial fares for the administration's travels tops \$15,000 for the scheduled speakers, but that does not count their entourages.

In 2000, when jet fuel prices were lower, the GAO estimated that flying Air Force One cost \$54,100 per hour, or \$60,250 in today's dollars. So far, the president has traveled to Indiana, New Jersey, Kentucky, Alabama, Louisiana, Tennessee, Florida, Arizona, Colorado, New Mexico, Iowa and West Virginia. That is enough, by commercial schedules, to take at least 30 hours, or \$1.8 million.

A C-137C, which the vice president generally travels on, cost \$10,300 per hour to operate, or \$11,470 today. Cheney's travels on the Social Security tour have taken him to Bakersfield, Calif.; Reno, Nev.; Battle Creek, Mich., and Pittsburgh, enough to keep a commercial flight in the air 14 hours, at a cost of \$160,580.

Excluding security and aircraft costs, the White House has estimated that staff costs on presidential trips average between \$22,000 and \$59,000, the Associated Press has reported. Staff costs for Bush's 16 Social Security events thus would range from \$352,000 to \$944,000.

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POLITICS TRIVIA

Wednesday's Question:

Ukrainian President Viktor Yushchenko concluded his three-day visit to the United States Wednesday by addressing a joint meeting of Congress. How many other foreign leaders have addressed joint meetings of Congress during President Bush's presidency?

Two

Three

Five

Seven

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Strengthening Social Security


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Treasury Secretary Snow Launches 60 Stops in 60 Days Tour



Presidential Message on Social Security

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[Video: Presidential Message on Social Security](#)

In his State of the Union Address, President Bush outlined for the nation his vision to strengthen and save Social Security.

The President's plan calls for reforms that would keep Social Security's promises for today's seniors and those near retirement; solve the financial problems of the current system once and for all; and make Social Security a better deal for younger workers by allowing them to set aside part of their payroll taxes in voluntary personal retirement accounts.

Thanks in large part to the President's leadership and courage, the national discussion is now focused on the serious problems facing Social Security. Americans understand that the current system won't be there for their children and grandchildren. They understand that action needs to be taken now to keep the promise of Social Security alive.

President Bush has made it clear that all options are on the table for strengthening Social Security, with the exception of raising the payroll tax rate.

The President has pledged to work in good faith with members of Congress from both parties on this issue. He knows that reforming Social Security will not be easy – but the Administration is committed to strengthening the system for the sake of the next generation.

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President George W. Bush greets Millie Martinez, right, and Ida Gonzalez at Bear Canyon Senior Center in Albuquerque, Tuesday, March 22, 2005, as he took his Conversation for Strengthening Social Security into New Mexico. The president reassured the approximately 30 breakfast guests that those born before 1950 will be unaffected by proposed reforms to the program. White House photo by Eric Draper.

U.S. Department of the Treasury, Office of Public Affairs | [FirstGov](#) | Last Updated: April 6, 2005

FACT SHEET: Fixing Social Security Now

April 5, 2005

Today's Presidential Action

- **Today, President Bush Visited The Bureau Of Public Debt In Parkersburg, West Virginia, And Called On Congress To Act Now To Save Social Security For Future Generations.** The President believes that the retirement security of our children and grandchildren should be controlled by the American people – not by a government program that can't keep its promises to future generations.
- **When People Refer To The Social Security Trust Fund, They're Talking About IOUs The Federal Government Is Writing To Itself.**
 - ✓ **No Money Has Been Saved To Fund Future Benefits.** There is no "trust fund" – just IOUs the Federal government has written to itself. What's left are roughly 200 pieces of paper, each one representing a multibillion-dollar Special Issue U.S. Treasury Bond.
 - ✓ **The Government Has Borrowed \$1.7 Trillion From The Social Security Trust Fund.** This is the total value of the paper promises in the Trust Fund, and money that is not readily available to pay benefits because it has been loaned to the Treasury to pay for other government spending.
 - ✓ **Funding Social Security With Bonds The Government Loans Itself Is Like Paying Off Your Mastercard With Your Visa.** Beginning in 2017, the government will have to back up these pieces of paper with real money, and that will ultimately result in higher taxes, reduced benefits, increased debt, or cuts to other critical government programs.

Background: Social Security Faces Real Problems

- **Social Security's Problems Must Be Dealt With Now.**
 - ✓ **There Are More People Collecting Benefits.** As the Baby Boom generation begins retiring in 2008, there will be a dramatic rise in the number of retirees. Furthermore, people are living longer than when the system was created. Social Security is a pay-as-you-go system that leaves workers with IOUs, not real ownership in voluntary personal accounts.
 - ✓ **Benefits Are Growing Faster Than Inflation.** Today's 20-year-olds are promised benefits 40-percent higher than seniors retiring today.
 - ✓ **Fewer Workers Are Supporting Each Retiree.** In 1950, there were 16 workers for every retiree. Today, there are 3.3 workers for every beneficiary. By the time today's 20-year-olds retire, that number will drop to 2 workers for every beneficiary.
 - ✓ **These Problems Signal A Looming Crisis.** Only a very narrow window to solve this problem remains. In 2008, the first Baby Boomers will begin to retire, putting added strain on the system. In 2017, the system will begin paying out more than it takes in. This will ultimately mean drastically higher taxes, reduced benefits, increased debt, or cuts to other critical government programs. Doing nothing today will cost more than \$11 trillion. Every year we delay acting costs taxpayers an additional \$600 billion.
- **The President Has Laid Out Basic Principles That Must Guide Reform.**
 - ✓ **No Changes For Those Born Before 1950.** Those who are at or nearing retirement will see no changes to their Social Security benefits, but they too want to see the system strengthened for their children and grandchildren. The President welcomes the wisdom of seniors and their input on how to save Social Security for future generations.
 - ✓ **We Must Fix Social Security Permanently.** The President wants to fix Social Security once and for all so that our children and grandchildren do not face these same problems.
 - ✓ **No Increase In Payroll Tax Rates.** Increasing the payroll tax rate would burden workers and harm our economic strength.

- **Voluntary Personal Retirement Accounts Are A Key Component Of Reform.**
 - ✓ **Voluntary Personal Accounts Allow Younger Workers To Create A Nest Egg For Retirement That Can Never Be Taken Away By The Government.** Voluntary personal accounts allow younger workers to save a portion of their payroll taxes in an account that they own and control.
 - ✓ **Voluntary Personal Retirement Accounts Give Younger Workers A Chance To Earn A Better Return On Their Money.** If a young person earns an average of \$35,000 a year during his or her career and contributes the maximum amount to a voluntary personal account each year, he or she can expect to have nearly a quarter of a million dollars saved by retirement.
 - ✓ **Voluntary Personal Accounts Could Be Passed On To Children.** Voluntary personal accounts will give workers an opportunity to build a nest egg and pass on the wealth they have built up to their spouse or children.
 - ✓ **Voluntary Personal Accounts Could Only Be Safely Invested.** The accounts could be invested only in a limited number of secure bond and stock-index funds, including a life-cycle fund designed to protect workers from sudden market changes on the eve of their retirement.

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