

Social Security Briefing

Congress Daily AM

27 June 2005

Republicans will gauge fallout from their latest Social Security proposal, a plan unveiled by House and Senate lawmakers that would earmark the Social Security surplus for private retirement accounts.

House Ways and Means Chairman Thomas is likely to incorporate the accounts into a retirement package he will mark up.

One senior Republican aide said the markup would not occur this week, adding that there is no expectation that Thomas will even unveil his package before the Independence Day recess.

Republicans are hoping to sell the idea as a way not only to establish a limited version of President Bush's payroll tax-funded "carve out" accounts, but as a method for ensuring Social Security funds are not spent on other purposes.

They hope to attract at least a few Democrats, who have been virtually unanimous in opposing carve-out accounts.

Democratic leaders responded brusquely to the new proposals, seeking to frame them as a dressed-up version of the accounts they have opposed all year.

Whether Senate Finance Chairman Grassley will incorporate the accounts in any markup he holds is unclear. He and other Finance Republicans might continue their meetings this week to find a consensus on overhauling Social Security.

The Coalition for the Modernization and Protection of America's Social Security, which favors personal retirement accounts, plans to announce today its membership has grown to at least 350 groups, sources said last week.

The addition of over 100 college chapters of Students for Saving Social Security has partly fueled membership for the group, which had about 150 members by late April.

Among the new members are the National Mining Association, American Trucking Associations, Associated Builders and Contractors, National Taxpayers Union and American Petroleum Institute.