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COMMITTEES:
AGRICULTURE, NUTRITION, AND FORESTRY
FINANCE
RULES

United States Senate

WASHINGTON, DC 20510-1601

August 13, 1990

████████████████████
606 Charles Street
Mulvane, Kansas 67110-1410

Dear ██████████:

Thank you for your letter regarding social security and the pay raise issue. I appreciate your warm words of support.

For millions of Americans, social security means the difference between a decent standard of living and poverty. Social security is their lifeline, and whenever anyone says social security is in trouble, senior citizens get understandably worried. But let me set the record straight: social security is not in trouble. It is intact and stronger than ever. Social security will be around for you, your children and your grandchildren.

I am proud to have introduced and shepherded to enactment the 1983 bipartisan plan that rescued the social security system from financial insolvency. Prior to enactment of this plan, the system had been teetering on bankruptcy. Now, the social security system is running a surplus with adequate reserves to assure benefit payments well into the next century.

Individuals often wonder whether the surplus funds in the social security trust fund are borrowed to finance other government operations. Social security funds not immediately needed must, by law, be invested in Treasury securities, one of the safest investments available. The government in turn uses these securities to pay for other programs and activities.

Like bonds purchased by individuals, the money invested in securities must be repaid with interest. These interest payments are credited to the trust funds and are used to help pay social security benefits and the administrative expenses of the program. Interest payments from Treasury securities are expected to grow from \$11 billion in 1989 to \$45 billion in 1994, making it a major source of income for the social security system.

President Bush included a provision in his 1991 budget proposal to wall off Social Security Trust Funds from Gramm-Rudman calculations of the federal deficit. The White House said that moving Social Security off budget would "make sure those funds are preserved." You may be certain that I will give this provision careful consideration.

██████████
August 13, 1990
Page 2

As you should know, I have been reluctant in the past to support pay raise legislation. During my twenty-eight years in Congress, I have voted against a Congressional pay raise seven times and for a pay raise on just three occasions. Earlier this year, for example, I voted against the 51% pay hike proposed by President Reagan.

My record also shows that I have been reluctant to support legislation authorizing cost-of-living adjustments -- or COLAs -- for Members of Congress, even though COLAs are regularly granted to most other federal employees. I have voted against a Congressional COLA 23 times and for a Congressional COLA on only three occasions.

Unfortunately, most Americans do not realize that the so-called pay raise package simply restores the COLAs to which Senators were entitled in 1988 and 1989 and authorizes a COLA for 1990. As a result, the "pay raise" for Senators is not really a pay raise at all, but only an adjustment in salary to reflect past increases in the cost of living.

I suspect that you would support the ethics reforms contained in the pay raise package. The package, for example, tightens up the Congressional rules on gifts and travel, imposes additional financial disclosure requirements, and toughens the restrictions on post-employment lobbying by former Members of Congress and their staffs. The package also provides for a phase-out of honoraria by substantially reducing the maximum amount of honoraria that Senators may receive in 1990 and in subsequent years.

Again, thank you for writing.

Sincerely,

BOB DOLE
United States Senate

BD/dw

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Medwane, Kans

June 14. 1996

Senator Bob Dole,
141 Hart Senate Office Bldg.
Washington, D.C. 20510

Dear Senator Dole,

I would like to make some suggestions about matters I feel need to be taken care of.

1. Put Social Security into an account that other funds or people can't touch.
2. Do not let Washington, D.C. become a state. Leave it like it is, but get a decent mayor.
3. Stop raising salaries of Congress people. Senators and representatives are to represent their state - not make a financial killing for them selves.

I feel you represent Kansas
very well, but some of the people
you work with are very self
centered and greedy. Good luck!

Sincerely



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