SUMMARY OF EFFECTS ON ACTUARIAL STATUS

Figure 1 illustrates the expected change in the combined Old-Age and Survivors Insurance (OASI) and Disability Insurance (DI) Trust Fund reserves, expressed as a percent of annual program cost, assuming enactment of this Bill. Assuming enactment, the OASDI program would be expected to be fully solvent for an additional 28 years, under the intermediate assumptions of the 2012 Trustees Report.

The level of reserves for the theoretical combined OASI and DI Trust Funds would decline from 340 percent of annual program cost at the beginning of 2012 until these reserves would become depleted in 2061 (28 years later than projected depletion under current law). At the time of reserve depletion in 2061, the program would be able to pay about 91 percent of then scheduled benefits with continuing taxes (under current law, 75 percent of scheduled benefits are projected to be payable in 2033 after depletion). By 2086, 88 percent of benefits scheduled under the proposal would be payable compared to 73 percent of scheduled benefits payable under present law.

Enactment of this Bill would eliminate about 80 percent of the long-range OASDI actuarial deficit of 2.67 percent of taxable payroll under current law, lowering the OASDI actuarial deficit to 0.55 percent of payroll for the long-range period.

Figure 2 illustrates annual projected levels of cost, expenditures, and non-interest income as a percent of the current-law taxable payroll. The projected levels of cost reflect the full cost of scheduled benefits under both present law and the proposal. After trust fund reserve depletion, projected expenditures under current law and under the proposal include only amounts payable from projected tax revenues (non-interest income), which are less than projected cost.

Figure 2 shows that the estimated cost of the OASDI program would be very slightly reduced under this proposal. A slight decrease in benefits is projected to follow from a small decrease in the proportion of employee compensation that would be paid in the form of wages under the current-law contribution and benefit base. This small reduction in wages as a percentage of employee compensation reflects the assumed behavioral response of employees and employers to the additional payroll taxes under the proposal.

It is also useful to consider the projected cost and income for the OASDI program expressed as a percentage of Gross Domestic Product (GDP). The graph illustrates these levels under both present law and this proposal.

DETAILED FINANCIAL RESULTS

Benefit Illustrations

Benefit illustrations are not provided for the proposal because benefit levels would not be materially changed from the scheduled benefit levels under current law.

Trust Fund Operations

Table 1 shows the annual cost and income rates, annual balances, and trust fund ratios (reserves as percent of annual program cost) for OASDI assuming enactment of the proposal. This table also shows the change from present law in these cost rates, income rates, and balances. Included at the bottom of this table are summarized rates for the 75-year (long-range) period.

Table 1 indicates that the OASDI program is projected to be solvent for an additional 28 years assuming enactment of the proposal. The year in which the combined reserves of the OASI and DI Trust Funds are projected to deplete would change from 2033 under current law to 2061 under the proposal. Even after depletion of the trust fund reserves, however, the actuarial status of the program is improved as continuing income would be sufficient to pay a higher percentage of scheduled benefits than under current law. Under current law, 75 percent of benefits are projected to be payable at trust fund reserve depletion in 2033, declining to 73 percent payable by 2086. Under this proposal, 100 percent of the scheduled benefits would be fully payable through 2060, and 91 percent would be payable at trust fund reserve depletion in 2061, declining to 88 percent payable by 2086.

The actuarial deficit for the OASDI program over the 75-year projection period is reduced by 2.12 percent of taxable payroll, from an actuarial deficit of 2.67 percent of payroll under current law to an actuarial deficit estimated at 0.55 percent of taxable payroll under the proposal.

We project annual balances (annual income rate minus annual cost rate) to become positive for years 2014 through 2021 under the proposal and to be negative thereafter. Annual deficits (negative annual balances) after 2028 are projected to be smaller than the deficits projected under current law by more than 2 percentage points through 2086.

Program Transfers and Asset Reserves

Column 4 of Table 1a provides a projection of the level of reserves for the theoretical combined OASI and DI Trust Funds under the proposal, expressed in present value dollars discounted to January 1, 2012. The table indicates that the proposal includes no new specified transfers of general revenue to the trust funds. For purpose of comparison, the OASDI Trust Fund reserves, expressed in present value dollars, are also shown for the current-law Social Security program both without the added general fund transfers (if any) provided under the proposal (column 6) and with the proposal added transfers (column 7). Note that negative values in columns 4, 6, and 7 represent the ''unfunded obligation'' for the program through the year. The unfunded obligation is the present value of the shortfall of revenue needed to pay full scheduled benefits on a timely basis from the date of trust fund reserve depletion to the end of the indicated year. Gross Domestic Product (GDP), expressed in present value dollars, is shown in column 5 for comparison with other values in the table.

Effect on the Federal Budget

Table 1b shows the projected effect, in present value discounted dollars, on the Federal budget (unified-budget and on-budget) cash flows and balances, assuming enactment of proposal. Table 1b.n provides the estimated nominal dollar effect of enactment of the proposal on the annual budget balances for years 2012 through 2022. All values in these tables represent the amount of the change from the level projected under current law.

The effect of the proposal on unified budget cash flow (column 3) is expected to be positive starting for 2014, reflecting the application of the payroll tax to earnings above the current-law taxable maximum amount.

Column 4 of Table 1b indicates that the projected effect of implementing this Bill is a reduction, starting in 2014, of the Federal debt held by the public, reaching about $7.2 trillion in present value by 2086. Column 5 provides the projected effect of the proposal on the annual unified budget balances, including both the cash flow effect in column 3 and the additional interest on the accumulated debt indicated in column 4. Columns 6 and 7 indicate that the proposal would have no expected direct effects on the on-budget cash flow, or on the total Federal debt, in the future.

It is important to note that these estimates are based on the intermediate assumptions of the 2012 Trustees Report and thus are not consistent with estimates made by the Office of Budget and Management or the Congressional Budget Office based on their assumptions.

Annual Trust Fund Operations as a Percentage of GDP

Table 1c provides annual cost, annual expenditures (on a payable basis), and annual tax income for the OASDI program expressed as a percentage of GDP. These values are shown for both present law and assuming enactment of the Bill. Showing the annual trust fund flows as a percent of GDP provides an additional perspective on these trust fund operations in relation to the total value of goods and services produced in the United States. The relationship between income and cost is similar when expressed as a percent of GDP to that when expressed as a percent of taxable payroll (see Table 1).

Effects on Trust Fund Reserves and Unfunded Obligations

Table 1d provides estimates of the changes due to the proposal in the level of projected trust fund reserves under present law and, for years after trust fund exhaustion, the level of unfunded obligations under present law. All values in the table are expressed in present-value discounted dollars. For the 75-year long-range period as a whole, the present-law unfunded obligation of $8.6 trillion in present value is reduced to an unfunded obligation of $1.4 trillion in present value. This change is the combination of the following:

A $7.1 trillion increase in revenue from applying the payroll tax to covered earnings above the present-law contribution and benefit base (column 2), less

A $0.1 trillion reduction in cost from the behavioral response to additional payroll tax, causing a small decrease in the share of employee compensation that is received in wages, and thus a small decrease in total benefits (column 3).

We hope these estimates will be helpful. Please let me know if we may provide further assistance.

Sincerely,

STEPHEN C. GOSS,
Chief Actuary.

Mr. SANDERS. I yield the floor.

The PRESIDING OFFICER (Mr. HOEVEN). The Senator from North Carolina.

UNANIMOUS CONSENT REQUEST—S. 338

Mr. BURR. Mr. President, I rise to tell my colleagues that shortly I intend to ask unanimous consent to call up S. 338, but prior to that I would like to say a few things about it. S. 338 was introduced by myself, Senator BENNET, and Senator AYOTTE. What it would do is permanently authorize the Land and Water Conservation Fund. It would also guarantee that a small portion of any appropriated money goes toward maintaining access for those who use our public lands, the American people.

The Land and Water Conservation Fund is essential to making public lands public, by securing recreational areas, particularly where opportunities for sportsmen and others to access existing public lands are limited or precluded. As I am sure the Presiding Officer is aware, this program expires on September 30 and we can no longer wait to reauthorize what I believe is dollar for dollar one of the most effective government programs we have.

This is an investment that rivals any Wall Street honey of a deal that I have ever heard of. Every $1 spent has roughly $4 rates of return in either matching funds or money contributed back into our economy. This is an economic driver. The bait and the tackle shop, the outdoor apparel equipment store, the guide service, the mom-and-pop lodge, these are all local jobs. They cannot be outsourced. I realize this town does not take care of—it does not care much about budgets or responsible spending, but the simple truth is this program is a trust fund codified by law—by law—every year. No less than $900 million in royalties are paid by energy companies drilling for oil and gas on the Outer Continental Shelf. They are put into this fund—royalties off of energy exploration, something Congress when they in their infinite wisdom set up this program said they were a good thing.

Every year no less than $900 million in royalties are paid and go into this fund. The money is intended to, one, protect areas around national parks, rivers, and lakes. I note to my colleagues not ''create'' national parks, to ''protect''; two, to provide buffers for national forests and national wildlife refuges from development; three, to provide matching grants for State and local parks and recreation projects. In fiscal year 2013, the Department of the Interior collected more than $29 billion from offshore production. How much of that went to LWCF—$306 million. That is barely one-third of the amount deposited at the Treasury Department for this purpose. Talk about highway robbery.

I can point to numerous years where this has been the case. Over the life of the program more than $18 billion of land and water conservation funding has been diverted into the general fund to pay for programs other than what they were intended to be there for. This is a covenant with the American people that we have broken time and time and time again. It needs to stop.

My colleagues, this is not a land grab. It is not a land grab program as some have suggested it is. I would suggest to everyone it is a land solution. It is a tool. The LWCF goes toward the purchase of inholdings, those pieces of property that are inside a protected piece that is valuable for the future. The only reason there are inholdings is that they were not available when that tract was put together. It is used to buy property adjacent to existing boundaries and can help solve management problems rather than add to them.

I wish to give my colleagues one example: Clarks River National Wildlife Refuge in the great State of Kentucky. Acquisition of the tract there completed a connection between the refuge lands and the Clarks River. Previously, access to the river required excessive hiking because there was no approved vehicle access.

These access issues also limited the refuge's ability to provide environmental education and interpretation programs. Now the site provides access to the river for school groups, their transportation, and allows refuge staff to provide hands-on environmental instruction to students.

We went from a situation where you can only walk to this land to an acquisition by a conservation component funded by royalties of oil and gas exploration, and now vehicles can actually ride on it. School children can go there and go through transitional education for the purposes of understanding why this is so valuable to protect.

Most lands acquired with LWCF funds are within the existing boundaries of a Federal park, refuge, forest or other recreational areas. Much of the rest is used for conservation easements and State grants, which do not add to Federal management costs.

Let me state that again. When we allow this process to take place, we actually reduced the burden on Federal agencies from a standpoint of their management responsibilities with Federal dollars.

These partnerships through LWCF easements are a win-win. They keep ranchers and farmers on their land while maintaining wildlife habitat and open spaces. Strategic LWCF purchases can defuse conflicts with private landowners by securing permanent access for sportsmen.

With changing land use and ownership patterns, areas that were once open and usable are now either blocked or cut off. Public lands are often sometimes inherently sequestered from roads and towns by narrow pieces of private-ownership land. LWCF funds bring together sportsmen and willing sellers with the intent of open access for everyone.

The Land and Water Conservation Fund is a down payment. It is a down payment on an investment that sustains the American way of life. The best part, I say to my colleagues, is that it is paid for.

I am not here to suggest that I want to tackle the pittance that the fund receives and how much it was promised. I am only here today, along with my colleague from Colorado, to call up the bill to permanently authorize this program so that we don't go through this exercise every time that reauthorization is needed.

In a country that continues to explore for energy—and I hope we continue and become self-sufficient—let's use the portion of the resources that we can to fuel the beach renourishment, to rebuild the dunes, to buy those inholdings to get buffer zones around those treasures we try to protect. As we do that, let's open it up to American sportsmen to hunt, to fish, to use. That is what LWCF is about.

Let's start acting as if the agreement we made with the American people 50 years ago actually means something. Let's authorize permanently the Land and Water Conservation Fund.

Mr. President, I ask unanimous consent that at a time to be determined by the majority leader, in consultation with the Democratic leader, the Senate proceed to the consideration of S. 338; that there be up to 1 hour equally divided in the usual form; that following the use or yielding back of that time, the bill be read a third time, and the Senate vote on passage of the bill with no intervening action or debate.

The PRESIDING OFFICER. Is there objection?

The Senator from Utah.

Mr. LEE. Mr. President, reserving the right to object, the Land and Water Conservation Fund is used for a number of purposes, although the primary purpose involves the acquisition of new Federal land. Funding the acquisition of new Federal land at a time when Federal agencies can barely take care of the land they already have does raise some rather significant questions that need to be addressed.

The Department of Interior faces a combined maintenance backlog of over $20 billion—$13 billion in our National Park Service alone. We struggle with ways to fund the Payment in Lieu of Taxes Program, the intent of which was to mitigate the burden of Federal land to local communities where there is an abundance of Federal land that can't be taxed.

Coming from a State that is dominated by Federal land ownership—two-thirds of the land in Utah is controlled by Federal agencies. Any new Federal land ownership must be examined with a healthy degree of skepticism. There are many issues that need to be considered and debated before we reauthorize any program that would potentially expand the Federal Government's land holdings.

I certainly support opening our public lands for recreation, including for purposes related to hunting and fishing, and I believe that the Land and Water Conservation Fund could also be used to mitigate the negative impacts of Federal regulations on private property such as listings under the Endangered Species Act.

But reform isn't likely to happen. In fact, reform may well be impossible if we allow this bill to pass as is without going through the proper procedures. This bill should be subject to debate and amendment, first at the committee level and then on the floor of the Senate.

That is what needs to happen, and on that basis I object.

The PRESIDING OFFICER. Objection is heard.

The Senator from Colorado.

Mr. BENNET. I thank my friend from North Carolina for his efforts, and I wish to echo a lot of the points he already made so well, especially about how we stand here today having this fair, reasonable, unanimous consent request that the Senator from North

Carolina has asked for, as we stand here today when essentially what we are talking about is a promise that has been broken by this Congress to the American people for 50 years.

I thank, through the Chair, my colleague from North Carolina for trying to rectify that.

I am disappointed that our unanimous consent request was objected to, but I know this measure has plenty of support. As he mentioned, we led an amendment on the floor last week with the exact same text of the bill that we are discussing today. When the dust settled, that amendment received 59 votes, but I have a hunch that it would comfortably clear the 60-vote threshold were it to be considered again. And it should be considered again.

The measure is simple. As Senator BURR said, it simply reauthorizes the Land and Water Conservation Fund and ensures that a dedicated portion of LWCF funds go to provide new access for our Nation's sports men and women.

As most in this body know, LWCF is one of the country's best conservation programs. It provides $900 million annually to preserve our public lands and increase access to them. Not only do we need to pass this bill to reauthorize the program, but we need to ensure that we dedicate full and mandatory funding to the initiative, as Congress intended when we created the program in 1964.

Historically, LWCF resources have been used for all types of projects, ranging from building city parks to purchasing small parcels of isolated land from willing sellers and all the way to preserving our Nation's historic battlefields.

In Colorado, we have used LWCF for a wide variety of projects beyond traditional conservation. For example, LWCF was of critical importance to our State following a major natural disaster in 1976. That year an intense rainstorm caused massive flooding around Colorado's Big Thompson River. The flood claimed the lives of 145 Coloradans and caused more than $35 million in damages.

Once the horrible tragedy passed, the community had to rebuild. Rather than constructing houses back in the flood plain, Larimer County turned to LWCF to acquire the affected land and compensated the families whose homes were destroyed.

Those flood plains are now home to four new county parks—popular destinations for birdwatchers, anglers, and family picnics—instead of vulnerable structures. When another huge flood hit in the fall of 2013, the rivers ran black and eventually surged over their banks, as we can see from this photo I have in the Chamber.

Luckily, the flood plains, protected by LWCF and the creativity of our local folks, saw much less damage this time. The floodwaters inundated the open, undeveloped spaces instead of destroying homes and businesses, and Larimer County avoided about $16 million in estimated property damages.

It is incredible to think that an LWCF investment of just over $1 million in 1976 saved us more than 15 times that amount in 2013.

Beyond the example from Larimer County, communities all across Colorado have used LWCF to preserve sensitive landscapes and to help their local economies. This past summer, we completed a huge LWCF project in the San Juan National Forest near the town of Ophir. I spoke briefly about this project last week, and I will mention it again today because the work of the town of Ophir and the people of Ophir, along with their partners, the Trust for Public Land, were truly remarkable.

If memory serves, it is a project that took 12 years from start to finish. It had to be done in phases. LWCF funds were used to acquire several old mining claims above town, preserving the scenic beauty and ensuring that the area will remain undeveloped forever.

In this picture, if you ignore the center with these people in front of me, we can see how beautiful it is. This is a picture of the newly preserved landscape in Ophir. A group of us gathered to celebrate the accomplishment this past summer.

Most of these mountain communities get huge portions of their revenue and business from recreation and tourism. It is for some of these reasons that the town felt the Land and Water Conservation Fund literally helped secure their economic future.

This is a small, rural community in my home State. It is far away from this floor. LWCF has made a huge difference for Ophir.

These are two stories from Colorado, but I know they have been replicated thousands of times across the country and in all 50 States. Those stories and accomplishments alone make this bill worth supporting.

As I mentioned earlier, Congress wrote and passed LWCF in 1964, and it is beyond time to reauthorize it. Senator BURR has shown great leadership in crafting a bill to do just that.

Conservation policies—from LWCF to farm bill easement programs, from wilderness to national parks—are important to the American people. The American people support this work. Protecting our land and water is part of our everyday lives in Colorado, and I know our State is not the only one.

Conserved lands and wide-open spaces are a huge economic driver across the country, a huge part of our culture. They are who we are in the West. We should do right by the American people and reauthorize this program as soon as possible. Then we ought to work together to ensure that LWCF gets the full and mandatory funding going forward that was promised 50 years ago by Congress.

With that, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMEMBERING AMBASSADOR ROBERT E. WHITE

Mr. LEAHY. Mr. President, on January 13 of this year, our country lost one of its most courageous diplomats—Ambassador Robert E. White. Ambassador White was 88 years old.

I knew Bob White, who graduated from my alma mater, Saint Michael's College in Vermont, in 1952, just 9 years before I did. But I would have admired him greatly no matter what college he went to because he had the qualities every American diplomat should possess—outstanding intellect, unimpeachable integrity, great courage, and a devotion to the ideals and values of this country.

In the 1980s, during the civil war in El Salvador, the United States—in what most historians now know was a tragic mistake—steadfastly supported the Salvadoran Army despite abundant evidence that some of its elite units were operating as death squads, arbitrarily arresting, torturing, and murdering civilians suspected of supporting the FMLN rebels.

Unlike some other U.S. officials who turned blind eyes to the heinous crimes that were being committed in the name of fighting communism, Ambassador White refused to remain silent. He publicly condemned the Salvadoran military and their rightwing backers who were implicated in atrocities such as the assassination of Archbishop Oscar Romero, who just days ago was put on the path to sainthood by Pope Francis, and the massacre of four American churchwomen.

For speaking out on behalf of the victims of those crimes, Bob White paid dearly. He was ridiculed by some in Congress and he was summarily removed from his job by then-Secretary of State Alexander Haig.

A January 15 obituary in the Washington Post describes Bob's life and career. As I was reading it, I could not help but wonder how things might have turned out differently if the powers-that-be during the 1980s had listened to him. My wife Marcelle and I talked about that. We asked ourselves: How many lives might have been saved if the Reagan administration, instead of firing Bob in 1981, had recognized the truth of what he was saying and supported negotiations to end the war in El Salvador.

Instead, the war dragged on for another decade, costing the lives of tens of thousands of people, mostly civilians. The tide only started to turn in 1989 after the cold-blooded murder of the six Jesuit priests, their housekeeper and her daughter, at the University of Central America. It was a