Congress of the United States
House of Representatives
Washington, DC 20515

March 16, 2005

The Honorable Gerald A. Reynolds
Chairman
U.S. Commission on Civil Rights
624 Ninth St. NW
Washington, DC 20425

Dear Mr. Chairman:

We recently obtained documents indicating that the independent U.S. Commission on Civil Rights is preparing to enter the debate over the future of Social Security.[1]

The documents indicate that at its March 18 meeting, the Commission will consider two proposed studies on Social Security.[2] The first is a proposed Office of Civil Rights evaluation entitled, *Building an Ownership Society: The Impact of Social Security Reform on Minorities*. The second proposal is for an Office of General Counsel "legal analysis of any race-conscious elements of proposed Social Security reforms."[3]

We have serious reservations about whether these studies are an appropriate use of the Commission's limited funds.

The primary goals of the Commission on Civil Rights are "to investigate complaints alleging that citizens are being deprived of their right to vote" and "to study and collect information relating to discrimination or a denial of equal protection." The proposal to study Social Security does not appear related to these goals. In fact, the Office of Civil Rights proposal acknowledges this directly, stating that the study does "not fulfill USCCR standards" and is not directly related to the "mission statement nor to strategic plan goals."[4]

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[1] U.S. Commission on Civil Rights, *Mission Statement* (2005) (online at http://www.usccr.gov/about/mission.htm).

[2] The Commission was originally scheduled to consider these documents at the February meeting, but this discussion was postponed until March.

[3] U.S. Commission on Civil Rights, *Office of Civil Rights Evaluation — Building an Ownership Society: The Impact of Social Security Reform on Minorities* (Feb. 18, 2005); U.S. Commission on Civil Rights, *Office of General Counsel — Project Concept* (Feb. 18, 2005).

[4] U.S. Commission on Civil Rights, *Office of Civil Rights Evaluation, id.*.

Moreover, the specific proposals appear biased as drafted. The goal is not a neutral assessment of the complex issues surrounding Social Security. In fact, the description of the Office of General Counsel study prejudges the outcome, stating that it will be incorporated into the Office of Civil Rights report on "the adverse impact of Social Security on racial/ethnic minorities and women."[5]

Other examples of bias in the design of the studies include the following:

- The documents cite "Heritage Foundation and Cato Institute" researchers in support of the assertion that "Social Security has an adverse impact on the economic outcomes of blacks." But the documents fail to cite the conclusions of unbiased sources such as the Government Accountability Office that have found just the opposite.[6]

- The proposals fail to mention Social Security's survivor and disability benefits despite the fact that those benefits are provided disproportionately to African Americans.[7]

- The proposals misleadingly confuse life expectancy at the start of the working career (which is lower for blacks than whites), with life expectancy at retirement (where there is a much smaller gap), making the incorrect claim that "white male workers . . . will draw benefits for nearly six more years than their black counterparts."[8] The actual gap in life expectancy at retirement is less than two years.[9]

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[5] U.S. Commission on Civil Rights, *Office of General Counsel*, *supra* note 3.

[6] Government Accountability Office, *Social Security and Minorities: Earnings, Disability, Incidence, and Mortality are Key Factors that Influence Taxes Paid and Benefits Received* (Apr. 2003) (GAO-03-387). The report finds: "In the aggregate, blacks and Hispanics have higher disability rates and lower lifetime earnings, and thus as a group tend to receive greater benefits relative to taxes than whites."

[7] *See* Social Security Administration, *African Americans and Social Security: Social Security is Important to African Americans* (2005) (online at http://www.socialsecurity.gov/pressoffice/factsheets/africanamer.htm).

[8] U.S. Commission on Civil Rights, *Office of Civil Rights Evaluation, supra* note 3, citing the Cato Institute, *Sober Security: Personal Retirement Accounts are Pro-Black, Too* (May 14, 2002) (online at http://www.socialsecurity.org/pubs/articles/art-murdock020514.html). Life expectancy data from Centers for Disease Control, *National Vital Statistics Reports: United States Life Tables, 1999* (Mar. 21, 2002).

[9] Centers for Disease Control, *id.*

- The proposals include biased, leading research questions, such as: "Will President Bush's proposal . . . expand opportunities for blacks to invest in the stock market?" They further fail to consider the impact on minorities of alternative proposals that would leave the Social Security system intact.

The role of the Commission is to ensure that all Americans have equal rights, not to produce politically biased reports in support of President Bush's Social Security privatization proposal. In light of these concerns, we ask that you respond to the following questions about these proposals by March 25:

1. Is consideration of Social Security consistent with the statutory mandate of the Commission? If so, why do the Commission documents note that the studies do "not fulfill USCCR standards for a statutory report," and are "not directly related to the USCCR mission statement."

2. Have USCCR Commissioners or staff had any contact with staff from the White House or other executive branch offices regarding these studies? If so, please provide a list of all contacts, including relevant documents detailing the content of these contacts.

3. Have USCCR Commissioners or staff had any contact with staff from outside organizations, such as the Heritage Foundation, the Cato Institute, or Americans for Tax Reform regarding these studies? If so, please provide a list of all contacts, including relevant documents detailing the content of these contacts.

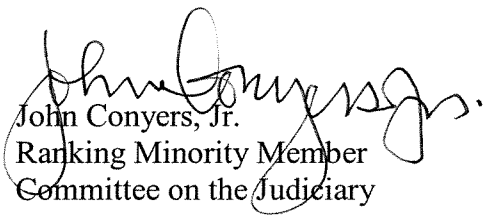
4. What is the anticipated budget for these proposed studies? Has the Commission traditionally conducted studies that do "not fulfill USCCR standards for a statutory report," and are "not directly related to the USCCR mission statement"? If so, please provide a list of these reports, as well as a discussion of the amount of the USCCR budget that was spent on these studies.

Thank you for your response to this request.

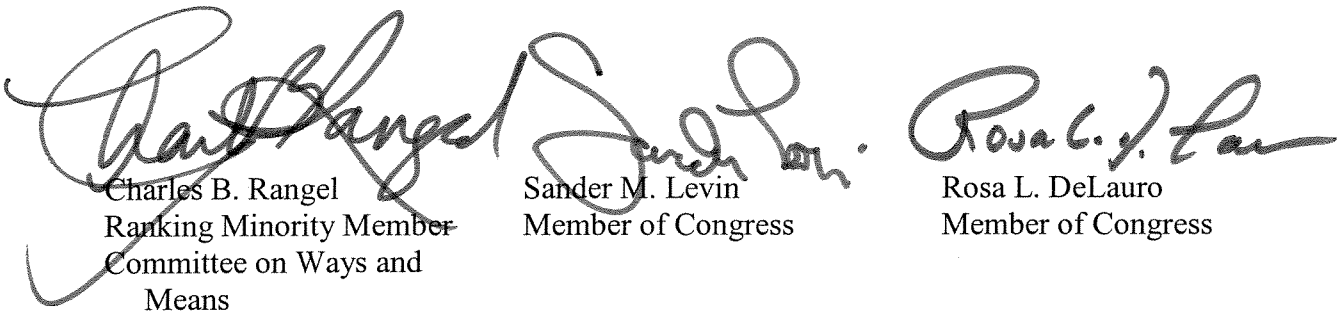
Sincerely,

Nancy Pelosi
Democratic Leader

Henry A. Waxman
Ranking Minority Member
Committee on Government Reform



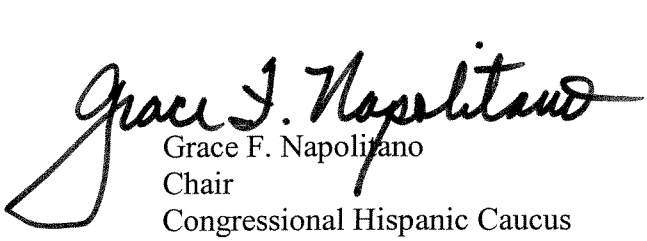
John Conyers, Jr.
Ranking Minority Member
Committee on the Judiciary



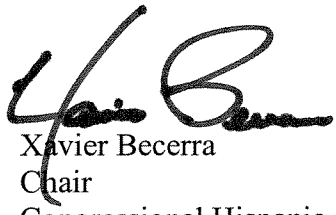
Charles B. Rangel
Ranking Minority Member
Committee on Ways and Means

Sander M. Levin
Member of Congress

Rosa L. DeLauro
Member of Congress



Grace F. Napolitano
Chair
Congressional Hispanic Caucus



Xavier Becerra
Chair
Congressional Hispanic Caucus
Social Security Task Force