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## House conservatives harden backing for Social Security plan

By Stephen Dinan

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BALTIMORE -- House conservatives said yesterday they will fight for a Social Security plan that goes into effect immediately and includes larger private accounts than the president is calling for, and they will not accept an overall increase in Social Security entitlement spending.

"Conservatives want to see personal retirement accounts that have immediate relevance to younger Americans, that they can see the value, and that will require that they be big and that they be implemented in the final bill without delay," said Rep. Mike Pence, Indiana Republican and chairman of the 100-member Republican Study Committee (RSC).

About half of the RSC's members have been brainstorming in Baltimore the past two days at a retreat sponsored by the Heritage Foundation. Mr. Pence said the group has come to agreement on principles for fiscal discipline and Social Security, and are prepared to be the conservative balance trying to give the president the backing to pursue the boldest possible plans on both issues.

Mr. Pence has said he wanted to stake out a position early enough to avoid a repeat of the 2003 Medicare debate, when he thinks conservatives were late to object to the direction of the bill. Many conservatives were angered when President Bush signed off on a bill that lacked the reforms they had wanted.

Mr. Pence said this time around feels different.

"They're starting on conservative principles and working toward the middle instead of starting in the middle and then coming to the right," he said.

That may be out of necessity. Unlike Medicare, where Mr. Bush picked up 11 Senate Democrats, this time Democrats say they are nearly united in opposing his idea of private investment accounts.

This week, Senate Minority Leader Harry Reid, Nevada Democrat, told reporters he didn't know of any Democratic senator prepared to support the president's plan.

"They all agree that there should be no privatization of Social Security. I agree with them," he said.

The Bush plan allows workers to divert 4 percent of their wages into investment accounts, and to choose from a set of investment strategies. The plan would be voluntary, and would begin allowing the diversion in 2009.

But the conservatives are leaning more toward a plan sponsored by Rep. Paul Ryan, Wisconsin Republican, which would allow diversion of 6 percent of wages.

"I think the sentiment in that room is do something very close to the Ryan bill -- do it

immediate, have large accounts, and have it vest with the people as quickly as possible," said Rep. John Shadegg, Arizona Republican and a former RSC chairman.

Some of the conservatives said they are willing to work out the details and may well end up nearer the president's proposal of 4 percent, but they seem insistent on moving faster than Mr. Bush, who wants a slower phase-in.

"There is one hard fact, and that hard fact is every day we delay, the transition costs become higher," Mr. Shadegg said.

Mr. Pence said conservatives would be willing to accept borrowing money to pay for the transition costs, but "so long as we can achieve the fundamental reform of personal Social Security account for retirement."

He said the RSC will convey those principles to House Republican leaders early next week, and said they believe they have muscle to back up those principles.

"We truly believe that the membership here, while roughly a quarter of the Republican majority, truly represents the values and ideals of the majority," he said.

Social Security dominated the closed discussions, RSC members said, but they did produce principles and a strategy for better fiscal discipline, including the possibility of a House line-item veto.

The point, Mr. Pence said, would be to allow House members to strike out spending items in the compromise appropriations bills that come out of the House-Senate negotiating committee. Right now those bills cannot be changed, but rather only given an up-or-down vote.

"It's never been done before," Mr. Pence acknowledged, but said it would be a useful tool to weed out many of the earmarked appropriations that are added in those closed House-Senate conferences.

As for social issues, Mr. Pence said they will call for the Federal Marriage Amendment and for retaining the abstinence elements of AIDS outreach to Africa. He said they also will have a particularly strong emphasis on legislation to address fetal pain, which they think could pass the Senate this year.

The retreat runs through this morning. Yesterday the RSC members heard from House Majority Leader Tom DeLay, Texas Republican, and former House Speaker Newt Gingrich. On Thursday they had dinner at the warehouse at Camden Yards, which is the same place where the freshmen from the Republican Revolution class of 1994 had their first organizing dinner.

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