

(cont.)

Americans know that in their personal lives, planning is the key to financial success. But how can Americans begin to plan their finances when the system is not reliable? Taxpayers need to know that the rates they pay one year aren't going to suddenly go up in the next year.

For these reasons, I think it is essential to produce a better tax code that is cleaner, simpler and fairer; a system that removes the politics from tax policy. I think its time to restore common sense to the IRS and the federal tax code.

We can count on the fact that those who are hooked on spending your tax dollars will not give them up easily. They will argue that, for your own good, you should let them keep what they have already seized by force.

Don't believe them. Families have a better idea of how to spend their money than does the federal government, thousands of miles away. By standing up to the taxman, we are standing up for hardworking, overburdened families.

It's hard to raise a family these days. The world has become a more complicated, threatening place, and parents struggling to make ends meet deserve every break we can give them. Some common sense tax relief is the least Washington can do to return power and responsibility to those doing the toughest job of all in this country: parenting.

It is possible to reform the federal tax code into a user-friendly system that is fair, simple, and reliable. If we wish to stand for what is right, we can do nothing less.

14 "FUN" FACTS ABOUT THE FEDERAL TAX CODE

- ✓ The federal tax code is more than **7 times longer** than the Bible.
- ✓ The tax code itself contains **2.8 million words**
- ✓ There are **17,000 pages** of tax regulations
- ✓ All together, it contains **45,662 pages** of tax laws, regulations, and related documentation
- ✓ The Tax Foundation estimates that tax code compliance costs amounted to about **\$200 billion** in 2002. That means it costs 20 cents to collect each dollar of taxes.
- ✓ By 2007 the compliance cost is estimated to be at **\$350 billion**.
- ✓ **Over half** of individual taxpayers now use a paid preparer for their income tax returns
- ✓ In 1954 there were 103 sections of the tax code; today there are 725...*that's an increase of 604%*
- ✓ The Federal Tax Code is lengthier than the Encyclopedia Britannica
- ✓ The IRS has more employees to interpret and enforce the tax code than the Environmental Protection Agency, the Occupational Safety and Health Administration, the FBI, the Drug Enforcement Agency, the Food and Drug Administration, and the Bureau of Alcohol, Tobacco, and Firearms **COMBINED**
- ✓ The IRS receives more than **110 million** phone calls a year for help by taxpayers.
- ✓ In 1999 the IRS was only able to answer 73% of the inquiries correctly
- ✓ Complying with the federal tax requirements wastes **6 billion** hours each year as families and businesses fill out tax forms, keep records, and learn tax rules.
- ✓ The federal tax code has endured more than **6,000** changes since 1986.

SOCIAL SECURITY = RETIREMENT SECURITY

THE SOCIAL SECURITY 10-STEP LANGUAGE LADDER

IF YOU READ NOTHING ELSE IN THIS CHAPTER, READ THIS. *Remember:* when we are talking about Social Security, we are really talking about retirement security.

- 1) It is a fundamental principle that *"Americans have a right to a safe, secure retirement."*
- 2) Our current and near retirees deserve the *"peace of mind"* of knowing they will get full benefits for their entire retirement.
- 3) To achieve *"generation fairness,"* we have a responsibility to save Social Security **RIGHT NOW** so that our children and generations to come receive the same benefits we have enjoyed.
- 4) It would be easier to turn away and leave the tough decisions to others down the road. But we do things in life not because they are easy but because they are necessary – no matter how hard they are. And delay just makes the solution more difficult and costly.
- 5) Social Security is a financially broken system; it will start going bankrupt in 13 years and will be completely bankrupt in a matter of decades. For the tens of millions of Americans who depend on Social Security, this is simply unacceptable.
- 6) Washington has done a terrible job managing the Social Security Trust Fund. A 1.6% return on your Social Security dollars is unacceptable. It's time to give the American people a say in how **THEIR** money is invested and the opportunity to do better.
- 7) Improving our Social Security system **CANNOT** be a partisan issue. We must all work together and put the partisan bickering behind us.
- 8) Remember, it's **YOUR** money. It's **YOUR** future. It's **YOUR** life.
- 9) You should have the right, if you wish, to invest **YOUR** Social Security taxes in safe, diversified funds like a thrift savings plan because the return has been proven to be better than with any government fund.
- 10) I ask you to focus on the facts, study the issue, and then make up your own mind. When it comes to financial literacy and Social Security, the more you know, the better off we'll be.

OVERVIEW

Those who define the issue will determine the outcome.

This chapter is unlike any language text I have ever written because Social Security is unlike any other government program. Sure, you will find the traditional “words that work” boxes sprinkled throughout the document and handy helpful hints about what phrases to emphasize and language to avoid. But this is a much more conversational document because Social Security is so personal and so much a part of the American psyche that it simply can’t be dealt with in traditional political manner. It is not enough to say the right words. You need to feel it as well.

Do not underestimate the personal bond between the American people and their Social Security check. As a Republican talking about “*strengthening Social Security*” (which is better than promoting “*Social Security reform*”), you should emphasize a commitment to maintaining the promises we have made to protect and care for current recipients, while strengthening the long-term health of system in order to guarantee benefits for future retirees.

But effective communication of retirement security in general and Social Security in particular will come up short if you cannot convince Americans that they can and should *invest in their future*. It is amazing to me just how few Republicans have as their core message a truism as sure as night follows day:

THE FOGOTTEN MESSAGE OF SOCIAL SECURITY

“It’s YOUR money. YOU earned it. YOU sacrificed for it. The government TOOK it from you. Now it’s YOUR chance to take control of YOUR retirement. Remember, it’s YOUR future. It’s YOUR life. And from now on, it should be YOUR Social Security.”

President Bush deserves considerable credit for his bold proposals for Social Security reform during the 2000 and 2004 presidential campaign. His approach to Social Security is the kind of leadership the American people are seeking. It is a perfect example of straight talk, putting people before politics. He has even successfully injected a moral component into what was once only an entitlement issue.

True, Democratic talking points insist that Social Security is only a small problem that does not need to be addressed now. They could not be more wrong, and the American people know it. But 76% of Americans believe that Social Security is either “*in crisis and must be solved now*” or “*a challenge that must be solved very soon.*” Only 19% put it off as “a problem that eventually should be solved.” Never in modern history have the Democrats been so badly misguided and so off on the wrong side of history.

Still they've got their vocabulary well prepared, and they are looking to use Social Security to replicate the success they had with Medicare in the mid-1990s. Expect to hear the word "privatize" over and over and over again. Let them use it, but not you.

SURVIVING SOCIAL SECURITY

"DUMP the word "privatize" from your lexicon forever, but always link reform options to the success of programs such as the Federal Thrift Savings Plan, IRAs and 401(K) plans."

Social Security is consistently a high priority for voters – and not only among seniors. The retired and the soon-to-be retired know they've been promised something and they demand to get it. Those in "mid-life" know they are paying into a program that eats up a significant portion of their paychecks, and they aren't so certain they will get their money's worth. And those in their twenties and thirties are just as cynical, if not more.

In fact, as it now stands, 48% of Americans believe that people retiring before they do will benefit the most from Social Security, while only 17% believe that they personally will benefit the most. That's why it is so important to replace the word "privatize" with the word "personalize." You're on their side, fighting on their behalf to help them get control of their retirement security.

Remember, this is not just about Social Security. This is about retirement security – and here you have the advantage:

- *In principle, Americans agree with you that the current system is unsustainable;*
- *In principle, Americans want to control their retirement savings;*
- *In principle, Americans support your idea of personal retirement accounts.*

But voters continue to trust the Democratic Party to handle Social Security, because they think Republicans lack the compassion and concern to find an equitable solution that benefits everyone.

You need to SHOW voters that you are concerned - and not just about the Social Security system as a whole, but about THEIR retirement security. And the best way to communicate your concern is to HUMANIZE the problem. The problem with Social Security is *not* the trillions of dollars in revenue shortfalls. The problem is *not* worker-to-retiree ratios. The problem *is* whether Social Security will be there when YOU need it.

Illustrate how the dismal facts leading up to the *problem* lead to one *common sense solution*. Talk to voters about how personal retirement accounts will improve THEIR retirement security. Talk about how **personal accounts will give THEM a sense of ownership, control and freedom**. And don't forget the essential rhetorical questions:

Everything depends on asking the right questions:

- *"Who do you trust more?"*
- *"Who can help you earn more?"*
- *"Who can deliver more?"*
- *"Don't you deserve more?"*
- *"Can't we do it better?"*

DICK CHENEY WORDS THAT WORK

The Social Security system is in trouble. It's been a fantastic program. It's been there for 65 years. It has provided benefits for senior citizens over that period --for my parents. And it means a great deal to millions of Americans. I want to make absolutely certain that the first thing we do is guarantee the continuation of those benefits and keep those promises that were made.

But I have two daughters, and they seriously question whether or not there will be any system left for them. And that's because of the demographics at work.

We know how many people are going to reach retirement age. We know when that Baby Boom generation is coming along. We know its going to drive the system into bankruptcy unless we reform it.

The reform we will offer will allow our young people to begin to take a portion of the payroll tax, two percent of it, and invest it in a personal retirement account. It gives them a stake in the Social Security system. It becomes their property. They own it, and they can pass it on to their kids if they want.

THE DEATH OF "RETIREMENT" AS WE KNOW IT

"The choices seniors make in retirement should not be limited by arbitrary dates or obsolete stereotypes. Because the nature of retirement is changing, the needs of retirement are changing as well. Older Americans now require a retirement nest egg large enough for decades of enjoyment and ambition. As medicine increases the length of life, adequate savings must increase the options we have on longer lives."

— President George W. Bush

"Retirement," as such, no longer exists. The chapter in life once universally understood as the *end* of work and the terminal winding down now means countless different things to different people. The so-called "Golden Years" are now "Working Years," as almost half of all Americans (49 percent) plan to continue working in some capacity after age 65, and nearly one in three (29 percent) will still be at work after age 70, health permitting.

Some still aspire to a "traditional" retirement, but many of them doubt they will ever reach it. Others define "retirement" as nothing more than a chance to change jobs or careers. They will continue to work, by choice or necessity, until the day their health gives out. And there are those, too, who love what they do and wouldn't dream of giving it up for the world.

To some extent, the re-defining of retirement is a recent development. In an era of rising expectations and expanding stock portfolios, consider the following polling data from the past few years:

- *Over the past two years alone, more than 20 percent of all workers and 35 percent of all adults aged 50 to 64 have acknowledged postponing their anticipated retirement.*
- *Half of all Americans aged 30 to 69 are now more concerned about protecting their retirement nest egg than about strengthening Social Security.*

American attitudes and expectations about "retirement" challenge many of the conventional myths. Modern science, medicine and technology have opened up vistas for all of us that only the most wild-eyed poet ever dreamed of in days gone by. They have given us remarkable new choices, options, possibilities. Social Security must be a system that reflects these new possibilities.

And that's why Social Security must be a system that keeps pace with American life.

In this period of economic instability, "*financial security*" has clearly become a higher priority than "*financial freedom*." Americans are searching for assurances that their investments and their retirement nest eggs are safe and secure – and they are increasingly turning to financial professionals to give them help and guidance.

There is an insatiable desire for information and education about retirement financing – even among those more than a decade away from anticipated retirement. Everyone agrees that when it comes to achieving financial security in retirement, Americans are uninformed, misinformed or both, but the newfound desire to learn from the experts is almost universal. Americans are asking a lot of questions and they demand the right to receive the correct answers.

- By a 2 to 1 margin, Americans still want to keep Washington's regulatory hands off their accounts and would prefer education and information to any further government restrictions.

The pre-retirement population craves financial retirement education and information without regulation and limitation.

People's assumptions about how soon they will actually begin their retirement are changing as well. *Not only has the economic turmoil of the past few years changed Americans' financial positions and depleted their nest eggs, but it has also led an incredible 28 percent of us to postpone the day we expect to retire.*

When it finally does come, Americans nevertheless look forward to enjoying long retirements. Forty-six percent (46 percent) expect their retirement to last at least 20 years – and 26 percent of them think it will last for at least 25 years or more. In fact, *the average expected length of retirement is just shy of that, at 24 years.* That's a long time to live off of investment income or the wages of a lesser paying job than they had in the prime of their careers. Certainly nothing could be further from the situation when Social Security was created in the 1930s ... in those days, most Americans didn't even live long enough to qualify for benefits.

Not surprisingly, Baby Boomers still see a financial crisis coming for everyone in their generation, even though a majority feels that they themselves will escape it. In fact, a majority of Americans fear for others but not for themselves. *A remarkable 79 percent of Americans expect future retirees to face a personal financial crisis once they retire, but only 43 percent think they themselves will experience that crisis.*

PRIORITIES OF THE NEW RETIREMENT

In this time of economic uncertainty, President Bush has made it a priority to restore both economic security and retirement security to *all* working Americans. The objective of the Bush administration over the next four years is to provide options, not restrictions, in order to allow individuals to better manage *their own* retirement security.

Americans reject the notion that Washington should have complete dominion over how individuals save or invest their retirement savings. People want a sense of control over their 401(k) plans, their pensions, and their other retirement vehicles – and Washington should be careful not to limit, restrict or regulate anyone's retirement nest egg in a way that seems to arbitrary. Americans, particularly seniors and near-seniors certainly want the government to stop Americans (and particularly their children) from making foolish investments, but in the end, they personally would like to have an element of control over their savings.

For example:

- 60 percent of Americans say they should have complete control over their 401(k) plans, even if their decision could harm them financially.
- A mere 25 percent say there should be laws to prevent people from putting too much of any one stock or investment into their 401(k). Of course, this number would likely change if we added a caveat about government prevention of overly foolish investments.

People are saying loudly and clearly that the way to protect their nest eggs is NOT for the government to impose new rules and regulations that limit their choices, but rather to close the "advice gap" and make it possible for all workers to receive sound investment advice.

Here's what they tell us:

- Americans say that "financial security" is more important to them than "financial freedom" by more than 3 to 1 (66 percent versus 20 percent). This preference for financial security holds true across all demographic subgroups.
- Americans are just as concerned about protecting their personal retirement nest eggs as they are about strengthening the Social Security system. 49 percent say strengthening Social Security is a higher priority to them, while a statistically equal 47 percent make the protection of their own nest egg the higher priority.

THE PERFECT STATEMENT

Under the current system, people who are just entering the work force today will earn almost no interest on the money they put in over their lifetimes. That's right, almost no interest. And even workers in their forties will receive a paltry two percent return on their Social Security benefits. That's less than the inflation rate.

Think about that. If your financial advisor earned you zero money on your investment, you would fire him. If you had a stock with no growth, you would sell it. But that is all Washington offers. This Social Security system is antiquated and ineffective. We can do better. Our nation's workers deserve better.

I'm hopeful that we can sit down in a bipartisan way and say NO to benefit cuts, NO to future tax increases ... and YES to seniors who want their benefits protected, YES to pre-retirees who want the program guaranteed, YES to the opportunity for younger workers to put some money aside, so that money will grow over time and help give them a better retirement in the future.

THE LEXICON OF RETIREMENT SECURITY

The changing definition of retirement has led to a change in financial priorities leading up to retirement. You will see the following sentence repeated again and again and again because it cannot be repeated enough:

***This is not just a debate about Social Security.
It is also a debate about RETIREMENT security.***

From today forward, we should be talking about "retirement security," in helping all Americans increase their wealth and truly improve their retirement years. Through improving our Social Security *system*, we can work together to make retirement security DEFINE Social Security.

Even so, from the outset, your plan *must* address the fear that retired Americans have about any change to Social Security. Many elderly people fear that Social Security reform could jeopardize their monthly checks, and pre-retirees (those aged 55 to 64) worry that the reformed system might not provide the benefits they have been expecting all of their working lives.

WORDS THAT WORK

In the end it is your money. You paid it, you've earned it, and it comes out of your paycheck. Why can't you get it back? Why can't it be invested in a way that you feel secure so that when it is time for you to retire, you don't have to hope that the government still has it, you know that you still have it. It is still your money.

Congressman Brady

The following key findings from our research (both qualitative and quantitative) show you how to do this:

- 1) **Get your FACTS straight.** You don't need to marshal every available fact and figure on Social Security to win the support of your audience. But do explain why we are where we are today. As it now stands, Republicans lack factual discipline. Figures, dates, and even analogies are woefully all over the place. It is time to focus the party on four specific facts. If the following four facts are cited consistently, they will be taken on by the American people and work in your favor.

There are four key facts, straight from the Social Security trustees, Republican and Democrats alike, which are crucial to any discussion advocating a need to modernize Social Security. Your audience must know if they are to understand that Social Security is a broken system and it is morally imperative we fix it NOW.

REMEMBER: Social Security was built for a different America. As a nation, we have grown stronger, and so we need a Social Security system that keeps pace with us. Critics will argue that we are planning to tinker with a system that has worked well for decades. They will say it is not broken, so why fix it?

There are four straightforward facts

- ✓ *First, when Social Security was first created, men made up the vast majority of the workforce and had a life expectancy not much more than 60 years. Today, in a majority of households, both men and women are working, and our life expectancy has risen more than 10 years. We are living longer, healthier, more productive lives...and that trend is going to accelerate as we continue to lead the world in medical breakthroughs. But while that is great for us here today, that's not great for an antiquated Social Security system.*
- ✓ *Second, it is a fact that in the 1950s Social Security had about 16 workers paid in for every person drawing out. Today, the ratio is just 3 to 1, and when our kids retire, it will be down to two workers for each beneficiary. The burden we will be placing on the workforce is unimaginable, and it's getting worse. Think your taxes are too high now? Imagine what they will be in the future if we don't make the necessary changes in the present.*
- ✓ *Third, it is a fact that the expansive Baby Boom generation continues to age – and the oldest of them turn 60 next year. Because of that, the number of workers in America has increased since the 1950s, but the number of retirees has increased much faster.*
- ✓ *And fourth, it is a fact that the return on your Social Security dollars is a paltry two percent (actually 1.6%). That's it – two percent. That's not even more than inflation! That's not enough to retire with a nest egg. That's not enough to retire with a sense of security. To me, depending on a two-percent rate of return over the lifetime of paying into Social Security is more of a risk than trying an alternative approach.*

When Americans are offered a number of strong reasons to “maintain” Social Security, by far the number one reason they choose is that they have **“paid into the system and therefore have a right to that money.”** Given an answer like that, you cannot touch Social Security without expecting a passionate response.

That's also why you have to remind people: **“It's your money.”** Any suggestion of changing Social Security must include a reference to protecting the individual worker's investment in the program. ***If Americans think you want to protect and enhance their retirement security, they'll back you. If they think you want to reduce their benefits – for ANY reason – they'll oppose you.***

- 2) **Make sure your audience knows and believes their Social Security contributions are THEIR MONEY, and they have a basic right to expect it back when they retire.**
Many Americans, particularly those just entering the workforce, have little faith that they will ever see their Social Security contributions again. They think of it as yet another tax. In order to convince this group that personal retirement accounts are their best option, they need to relearn what Social Security means. They need to know that Social Security SHOULD – and CAN- mean retirement security.

The majority of individuals in older generations think of Social Security as part of the American dream. Our younger generations need to believe this, too. When Americans believe Social Security contributions are their own, they will be much more willing, and even excited, to get more for their contributions.

WORDS THAT WORK

That's such a misconception out there in the minds of the American taxpayer. The money that goes into Social Security does not belong to the federal government. It comes from the individuals themselves or a combination of the individual employees and their employers. It's their money. It belongs to the employees, the workers. They're the ones that deserve to determine how this money is going to be invested in safe and sound investments for the long term so that they can have the assurance that their retirement benefits will be there.

Senator Saxby Chambliss

Again, it is important to make your argument PRACTICAL, especially with younger individuals. Talk about the impact on their day-to-day life of paying into the Social Security system.

WORDS THAT WORK

If you weren't required to give it to government, you'd maybe spend it on your child, maybe spend it on your spouse, maybe spend it on yourself, or maybe even invest it. So in fact, it is your money. The question is, "What's the best way to invest your money for your future?" Social Security has got to be a part of it because we have made a pact with generations in this country and so we have to continue that. And so the question is, is that the best way to provide the future for the younger generation?

Congressman Dan Lungren

I want you to see as many examples of the ownership issue as possible because this is SUCH a critical component of any Social Security communication. Hammer away at it until it is an absolute fact in their minds!

WORDS THAT WORK

Social Security is a basic right that the American worker has paid for. They paid money in and they expect a decent retirement and expect it to be there when they need it.

It's their money but the problem is the federal government has spent it. Now we need a tangible asset alongside Social Security so people can point to it and say "that's MINE, and if I don't live to collect my Social Security that's inheritable wealth". It's something that they can depend upon in their old age.

Congressman Clay Shaw

Again, PRACTICAL facts are extremely effective to your audience. OBTUSE facts, of course, are not. Social Security in this light is a difficult subject because there are many obscure facts and figures. Stay Away From Them!!!

THE WRONG ANSWER!

The Social Security system is a FICA tax system, it's a payroll tax so it's money that comes out of your paycheck. If you're a worker out there in America today you're told you have to pay 6.2% whether you're making \$10 an hour or \$100,000 a year, plus your employer has to pay 6.2%, which really comes out of your salary so 12.4% of your wages everyday are taken out for your retirement. Shouldn't you be able to have something to say about where that goes?

If you are going to use facts, stick to the basics, and contextualize each fact with a practical, down to earth example. To dwell too long in numbers will ultimately lose the interest and passion of the audience, and sink your argument.

- 3) *Everyone is eager for Social Security reform – but seniors are wary.* To seniors, Social Security is as American as apple pie. The mere mention of even tinkering with the system threatens them. They become much more open to reform though when you talk about its impact on their children and grandchildren. And it doesn't hurt to emphasize that it will not impact their benefits.

Let's face it – seniors love to talk about their kids and grandkids, so talk about them. Tell them about the opportunity America has to insure their retirement security. This point, though simple, is extraordinarily powerful, **ESPECIALLY** with older women. It is this message point that serves as the most efficient opening to having an honest dialogue with seniors about reform. It is the **ONLY** way that you can sell them on this proposal.

Furthermore, it is absolutely essential to constantly reassure seniors that you would never, never, **NEVER** touch their benefits. Stress your respect and gratitude for their years of hard work. Affirm that they deserve guaranteed benefits. Emphasize that *personal retirement accounts will be strictly voluntary* and will have **NO** effects on their current benefits.

- 4) *Younger generations need to know how personal retirement accounts would work.* While the generation about to enter retirement wants to know that their pension will be there, the younger and middle-aged audience must know the practicalities of a personal retirement account, and be assuaged that this new system would not be too cumbersome or confusing.

WORDS THAT WORK

Every two weeks, the same amount will be taken from your paycheck as it is now. But instead of going to the government, the money will go directly to a personal retirement security account with your name on it. You will not be allowed to touch the money. Just as with an IRA, you will not be able to cash out until your retirement.

The bottom line: older generations need to know their benefits are secure, while the younger generations need to know how the new plan will work to their benefit.

- 5) *Current and near retirees must KNOW their benefits are secure.* Most Americans, including seniors, are unaware that Social Security is not currently guaranteed. You can imagine the outrage if seniors and pre-retirees were to be told they had no ownership rights to their benefits. You must reassure them their benefits will be there when they retire, and **MOST IMPORTANTLY** will not be reduced by this proposal.

This sort of guarantee should **NOT** be in the form of a written statement or contract, but should be implied in the words you communicate to your audience.

WORDS THAT WORK

As Members of Congress, we have a duty to our seniors to ensure that their retirement security will not be jeopardized. At the same time, we cannot lose sight of the overall goal of reforming the Social Security program so that today's workers will have the retirement that they deserve as well.

– Congressman Walter Jones

- 6) Use personal examples to illustrate your message more effectively. By now, this should be old hat, but Americans respond much more effectively to a speaker to whom can relate: when they see them as him or her as a person who is going through the same challenges that they are.

WORDS THAT WORK

My father has been self-employed his whole life. I was self-employed in the private sector before I was in Congress. When you're self-employed you know it more keenly than if you worked for someone else.

So that's one thing the people need to realize. It's not the government's money. It's your money. The government is taking it, now the question is "are you going to make the government accountable to give it back to you in better standing than you gave it to them or worse?"

- Congressman Zach Wamp

- 7) Talk about GENERATIONAL FAIRNESS, but do NOT engage in generational warfare. Expectations of bankruptcy alone will not lead young adults to call for reforms in programs like Social Security and Medicare. Programs that benefit seniors have the full support of their children and grandchildren (in fact, if these kids had the opportunity, they would actually increase Social Security and Medicare payouts). Therefore, if Social Security *reform* is seen as an *attack* on Social Security (as the AARP will obviously suggest), you will lose.

Unfortunately, seniors don't feel the same way about their children and grandchildren. In fact, the older people are, the less likely they are to believe that their kids "will be facing a financial crisis and significantly higher taxes because of current and future government spending on older generations."

Seniors are also *least likely of any age group* to believe that parents have a greater obligation "to ensure that their children have the same opportunities that they had" and *most likely* to believe that children have a greater obligation "*to see that their parents have a comfortable retirement.*" *The myth that young people are selfish and seniors are compassionate is just that – a myth.*

WORDS THAT WORK

The net result is that we will guarantee the retirement, not only for our parents, and the baby-boomers, but also more importantly for our kids. I think for too long we have thought about this as a them versus us kind of a debate. Ultimately we're all in the same boat, and you can't sink half of one of these boats. We need to come up with a system that's fair to everybody. And I think we can.

Congressman Gil Gutknecht

Right now, young people don't think it is a fair system. They are cynical about their chances of receiving the benefits that they have paid for. On the one hand, the youngest adults – those who will pay the most in taxes but eventually receive the least in benefits – believe they will be stuck with higher taxes and a dreadful financial situation because the government is spending *THEIR* money on today's old folks, yet they somehow think they will escape the crisis personally. On the other hand, they think their grandparents are getting a raw deal from the government and that they should actually be receiving *even more* in benefits.

Why the contradiction? Because *young voters have still not learned that Washington's spending habits and the taxes they personally pay are directly related.* Until these blessed twenty-somethings get older, wiser and link spending and taxes, forget about any generational uprising.

- 8) Financial literacy brings security, accountability, and empowerment to the American people. The public needs to be educated on **financial literacy**. The American people need to know there are other financial options than simply letting Washington handle their Social Security contributions. Through financial literacy, many of the public's fears towards the idea of personal Social Security accounts will wash away, and the public will be *empowered*. In so doing, Americans will come to the conclusion that personal retirement accounts are in their best interest, and *choose* this as the best Social Security policy. The more Americans know about the financial options there are out there, the more they want to explore in an effort to get more bang for their buck.

But financial literacy means much more. It means giving Americans the reassurance and comfort of knowing that they will be educated and aided in making the right investment choices. It is far too easy to only focus on the "trees" of this debate at the neglect of the "forest." In this case, the forest is American financial literacy, providing Americans with the tools, choices, and education to make informed decisions about their retirement security.

WORDS THAT WORK

Q: You are giving Wall Street the opportunity to make literally billions of dollars off of senior citizens and they don't need the money, senior citizens do.

A: Wall Street is not the argument; the argument is how do we want people to lead their lives in their senior years? Investment is one of the most important things we can teach our children. We have to talk about financial literacy as well. In many cases this is an educational issue as well as a social Social Security issue. We need to make sure that wrong decisions aren't made and therefore, financial literacy must be a part of any kind of a discussion that comes with changing Social Security.

- Congressman Denny Rehberg

*** THE PERFECT SOUNDBITE ***

THIS IS NOT ABOUT GETTING YOUR MONEY INTO WALL STREET. THIS IS ABOUT GETTING YOUR MONEY OUT OF WASHINGTON.

In letting your audience know the facts, they will see your plan as exactly what it is: a common sense solution. Your audience will be EMPOWERED to see your plan as the right course of action; as a course of action they WANT to pursue, without apprehension.

SAVING SOCIAL SECURITY:

A large percentage of Americans believe Social Security needs major reform or a complete overhaul. Few (seven percent) believe the system is "*financially secure*" as it now stands, while 71 percent think it needs a major retooling. Age is again the greatest divider of opinion. *Everyone is anxious for Social Security reform – except seniors.*

From the facts about the Social Security system as it stands today, we can conclude only one common sense, meaningful solution: personal retirement accounts. While this is a communication minefield, you can win this one. By more than a three to one margin, (66 percent to 21 percent), Americans believe they could make more money investing themselves than what they get from Social Security. More importantly, by more than an incredible four to one margin (76 percent to 18 percent), Americans believe the private sector can deliver more money than Social Security.

Let the other side argue that the American public is stupid. Be on the side of the clear majority of the American people. Some have argued that many workers are ill-prepared to have a greater say in the investment of their Social Security dollars. Americans, however, do not believe that to be true. Eighty-five percent (85%) say they are confident in their ability to manage their own retirement accounts, and more than half (54 percent) believe politicians underestimate the public's ability to manage individual accounts.

This must be brought into line with our previous point regarding **financial literacy**. In order for the public to be properly equipped to manage a personal retirement account, financial literacy needs to come into play. In discussing the common American's ability to manage a personal retirement account, emphasize how you are committed to making financial education and access to information a key part of this larger effort.

People have little confidence in Wall Street these days, but even LESS confidence in Washington. Many critics of personal Social Security accounts say that contributions will go into the hands of greedy Wall Street fat cats. An extremely effective response to this argument is to state that right now, our benefits are being controlled by Washington bureaucrats, and it boils down to who you think is better handling YOUR money, Washington or the American people? The latter will always be overwhelmingly chosen. In addition:

- The popularity of IRAs and 401(K) plans is evident in the overwhelming support for converting Social Security to a personal pension system similar to individual retirement accounts. Every income group – poor, middle-class and wealthy – supports this proposal.
- On the negative side, the idea of a tax increase divides the nation: 48% *oppose* increasing payroll taxes two percent now to prevent a cut in Social Security benefits in a few years, while 47% support the idea. When the question is put in the context of preventing Social Security bankruptcy, the results are exactly the same.

Three operative phrases placed in any statement regarding Social Security and Congress will earn it overwhelming support:

- 1) **"Non-partisan" is absolutely essential in the Social Security debate.** You will not make any progress unless Republicans and Democrats are lined up two-by-two and side-by-side. Insisting on a **bipartisan solution** is an essential component of your communication efforts.
- 2) **The public wants "experts," not Members of Congress, dealing with Social Security.** Congress does not have a great degree of credibility today in regard to Medicare or Social Security. In fact, when we asked whether Members of Congress should sit on such a panel, just 26 percent said yes. Even Republicans want Congress away from the process.
- 3) **Fixing Social Security "once and for all" will be the driving force behind any reform effort.** The public wants a solution "that will last forever," not a short-term fix.

In talking about personalizing Social Security, many traps await you. It is far too easy to fall into them. The above recommendations are good and can get you through some of your simpler communications challenges, but we have expanded upon these below in a way that fully equips you for the difficulties ahead.

- 1) **Americans have little faith or trust in Washington's fiscal management abilities.** Personal economic fear for the future won't do by itself. It's just not enough to convince a majority of Americans that we need to reform the Social Security system. You must also address their anger and distrust toward Washington. (Americans may approve of Washington's handling of the war on terrorism, but they are hardly confident in politicians' ability to protect and manage their retirement funds.) **Ask again and again: Do you trust WASHINGTON to manage YOUR retirement funds, or is it possible that you or your advisor could do a better job?**

WORDS THAT WORK

Imagine how much better off you would be in your retirement years if Washington would let you invest a small percentage of your Social Security contributions? in a personal retirement account that YOU controlled. The government wouldn't be able to spend your retirement nest egg because YOU would be in charge. After all, it's your money.

- 2) **Talk about the RESPONSIBILITY of a good RATE OF RETURN.** This is a simple, but powerful concept. A good rate of return can be thought of as a responsible rate of return if it is enough to provide security to the American people. The 2% return that Social Security currently yields is obviously not responsible. In fact, it is frighteningly paltry. Two percent is less than the inflation rate. Just putting it in the bank in a long-term account and letting it sit there for a decade or more would have yielded a higher return. The American people deserve the right to do better.

During the last 65 years, Social Security has been a responsible program, providing its retirees with a return on their contributions that provided responsibility. Because of the dramatic shift in demographics that is occurring (44 workers to 1 retiree vs. 2 workers to 1 retiree), the return is being drastically compromised. It is our responsibility to provide future generations with a rate of return that matches the return our current and previous generations received from their Social Security.

To fix this, we need to look at retirement strategies that are tested and are proven to work, such as 401(k)s, IRAs and Thrift Savings Plans. This gives us a perfect example of the type of responsible rate of return America should expect from Social Security.

And remember this **IMPORTANT FACT**: we currently are being **FORCED** into accepting today's Social Security as our retirement security. **WE HAVE NO OTHER OPTION.** Personal retirement accounts will be just that: an option for the American people. Your audience needs to know they are not being forced to put their money into the hands of Wall Street Fat Cats. In fact, just the opposite: we are taking their money out of the hands of Washington Bureaucrats and giving it back to them to decide how they want to invest it.

It is always important when discussing this to **BE SPECIFIC**. Real examples always help solidify and clarify your argument. Always when numbers are involved, your argument needs to be **PRACTICAL** as opposed to **THEORETICAL**.

As well:

- ✓ *The personal accounts that will be offered will be diversified, employing a variety of financial products including bonds, treasury bills, and stocks. This diversity is the strategy that has been used successfully by millions of Americans in the form of IRAs and 401(k)s.*

SHORT & SIMPLE WORDS THAT WORK

People put their money into 401Ks and IRAs everyday. They're safe, they're reasonable, and they have a much better rate of return than the money that we're forcing people to put into their Social Security accounts now. 85/60

- Congressman Mike Ferguson

There is, however, a difficulty in talking too much about the stock market. The American people are sensitive to the ups and downs of the stock market. By a slim margin, Americans are more likely to characterize the stock market as generally VOLATILE (47%) rather than stable (44%). That's the bad news. The good news is that the Democrats' communication strategy of portraying this move as a big gamble does not hold with most Americans. By a slightly larger margin than the previous question, Americans look upon buying stocks more as investing (51%) than gambling (45%). However, women, especially those with no investment experience are more likely to consider it a form of gambling.

In talking about the return of the stock market you CANNOT blindly advocate its stability. Instead, focus on other components of investment – CDs, bonds, T-bills. You must reassure Americans that investing in American enterprise is better than investing in Washington.

- 3) **Your audience needs to know their contributions are AT RISK AS WE SPEAK.** As of now, the common perception people have of Social Security reform is that while the reform in question is desirable, it is risky. Of course, there are challenges, but your audience needs to know that there are MUCH LARGER risks in doing nothing.

These risks are larger not just monetarily, but because they are longer. We are in harm's way the longer we do not act. There is a tidal wave of risk slowly approaching our shores, and so we have a responsibility to incur some short term pain? to avert this disaster.

The status quo is risky precisely because of Washington's handling of our Social Security Trust fund: they spent it all. The crisis that is headed our way is evidence enough that our current system has risks: BIG RISKS. We need a system that puts the money of American workers back in their hands.

It boils down to a choice: a long term, financially crippling Social Security system, or a vastly improved system with short term belt-tightening?. The choice becomes common sense.

- 4) **For the people to trust Wall Street, Wall Street - and Washington - must be put in their place. "Wall Street" is America, and Washington will just spend it all.** Amidst all the scandal and corruption within the Financial Services industry, it is important that Wall Street be seen as the driving force of the American economy, and as far removed from scandal as possible.

If you must address these scandals, then bring Washington into the mix. Make it a choice: Wall Street or Washington. Neither should control our money. We should make the choice ourselves. And any new system should enforce the principle of accountability.

- 5) Personal retirement accounts will foster personal security. Financial markets have made America the most financially secure nation on the globe, yet tens of millions of Americans have not had the opportunity to invest. Personal accounts present an enormous opportunity to spread financial independence to millions of Americans. Finally, Republicans have a retirement issue that specifically targets and benefits working class Americans.

WORDS THAT WORK

Opponents of personal accounts are denying the right of **EVERY AMERICAN** to grow their nest egg. They are denying every American the right to own and control his or her own Social Security savings. And that is denying every American the right of retirement security. After all, it's your money.

And PLEASE remember that you are NEVER talking about privatizing Social Security, nor are you advocating INDIVIDUAL accounts. You are talking about creating PERSONAL retirement accounts.. So far, there has been generally strict message discipline here, but every now and then I still catch members and staffers slip up. If you don't believe me, let the numbers convince you:

- ✓ *Personalizing Social Security has a 17% higher favorability rating than privatizing it. That is, 51% of Americans believe personalizing the program is a good idea, while only 34% believe privatizing is.*
- ✓ *41% of Americans prefer a PERSONAL retirement account to an INDIVIDUAL retirement account.*

If necessary do what I do, and institute a strict policy among your staff that anytime someone uses either "privatize" or "individual" in the context of Social Security they must pay you \$50. It works.

PERSUADING SENIORS

Seniors trust newspapers more than television to deliver accurate and unbiased news. Since Social Security is primarily an older issue, you must make a special effort to ensure positive coverage of the Republican position in print as well as on the tube.

To seniors, Social Security is as American as apple pie. Even though they reluctantly acknowledge the necessity of reform to ensure the program's longevity, all things considered, they would prefer the status quo to remain. As one senior offered: *"Anything would be for the better if it would maintain Social Security the way it's going now. But if you want to decrease the amount, that would not be good."*

Seniors believe that younger generations may need retirement security even more than they did. But reform proposals of "less government involvement" and more "individual control" leave them shaking their heads, doubting the financial prudence of their own offspring.

While most seniors are highly skeptical about government (to the point of highly tuned sarcasm) older Americans have an abiding faith in Social Security. *"I'm very grateful for having had Social Security,"* said a woman at a focus group. *"They're [Social Security] gonna take care of you the rest of your life,"* whispered another. They believe that the system has taken care of them and, as a result, they think future generations should want and deserve the same. In other words, Social Security may be collected by the government, administered by the government, and undermined because of the government ... but don't tell that to America's elderly. *To America's elderly, "Social Security" and "government" are completely unrelated.*

What seniors hate about government is exactly what they love about Social Security, and it can be summarized in one word: SECURITY. Give seniors security and they will follow you anywhere.

FACE THE CHALLENGE

There is no question this reform, like any other reform, will come with its set of challenges. While the Democrats are factually off-base on when Social Security will become bankrupt if we continue our current system, they will enjoy a field day of outlining how expensive our reform is. This is a challenge, and this is what life is all about. The bottom line is: **Social Security as it stands today IS SIMPLY UNACCEPTABLE.**

The Democrats will show that our reform comes at a high price (a trillion dollars or more). The perfect response is to show that yes, we know that, and look at how doing nothing is MUCH more expensive (11 trillion dollars). With the facts as clear as they are, we have a responsibility as stewards of the generations to come to face the music and end this crisis – before it grows too far out of control. We have the ability to prevent countless generations from ever having to worry about retirement security, yet it will come at a price in the form of short-term costs.

WORDS THAT WORK

It's our opportunity and frankly, it's our responsibility, to do the right thing for today's generation – for our children. I have four little children at home. I want to make sure they have the same opportunities that my parents and grandparents had and it won't happen unless we do the right thing now. We have a plan, a responsible plan, that won't put their savings and their resources at risk but will be safe and valuable for them in the future.

Congressman Mike Ferguson

Your audience needs to know this is not about partisan politics. This is about our responsibility to our children. This is about doing what's right even if it's difficult, because not doing anything is sheer negligence. Americans see the need to protect the next generation. The last thing they want to do is leave them in the cold.

-- **43% of Americans believe that our children and our grandchildren should receive the highest consideration when debating Social Security reform proposals, before taxpayers (36%) and even before current Social Security recipients (16%).**

Being responsible means thinking long-term and not about the next election. It means not just thinking about your own retirement security, but of the retirement security of many generations to come. We know Social Security works well now and will work well for the next few years, but this will not last long. Our job is to face the facts and do what we know is right.

WORDS THAT WORK

The problem that Congress has always had is planning for the next election instead of the next generation. We've got to get over that. We've got to have a long view as to where we want this country to be, not 5 or 10 years from now, but where are we going to be decades down the line. We have to start planning now and not leaving the problem for the next Congress.

Congressman Clay Shaw

Politicians from both sides of the aisle need to come together as a team if meaningful change is going to take place. When it comes to the retirement security of tens of millions of Americans, there are no Democrats or Republicans. There are only Americans.

The conclusion that we need to save Social Security is best when it comes from **PERSONAL EXPERIENCE**. When put in the context of our own children, the conclusion becomes **common sense**. It becomes an issue of **GENERATIONAL FAIRNESS**. Our children deserve the type of security past and current generations receive. And we can achieve this **WITHOUT** compromising the benefits of current and near retirees. Let me repeat that: **CURRENT AND NEAR RETIREES' BENEFITS WILL NOT BE COMPROMISED. NOT AT ALL**. If this is emphasized, those close or near retirement will not see this as a situation in which we are favoring our younger generations at the expense of our older. What we are doing is creating retirement security, like that which we ourselves enjoy, for our children and children's children.

ANSWERING THE TOUGHEST QUESTIONS ON SOCIAL SECURITY

Q1: *Social Security has worked great for decades. Why change it?*

A: Let me give you four facts that have convinced me that the status quo is unacceptable and that the modernization of Social Security is a moral imperative. First, when Social Security was first created, men made up the vast majority of the workforce and had a life expectancy not much more than 60 years. Today, in a majority of households, both men and women are working, and our life expectancy has risen more than 10 years. We are living longer, healthier, more productive lives...and that trend will likely accelerate as we continue to lead the world in medical breakthroughs. But while that is great for us here today, that's not great for an antiquated Social Security system.

Second, it is a fact that when Social Security was created, there were 41 workers for every retiree, and in the 1950s, about 16 workers paid in to Social Security for every person drawing out. Today, the ratio is just 3 to 1, and when our kids retire, it will be down to two workers for each beneficiary. The burden we will be placing on the workforce is unimaginable, and it's getting worse. Think your taxes are too high now? Imagine what they will be in the future if we don't make the necessary changes in the present.

Third, it is a fact that the expansive Baby Boom generation continues to age – and the oldest of them turn 60 next year. Because of that, the number of workers in America has increased since the 1950s, but the number of retirees has increased much faster.

And fourth, it is a fact that the return on your Social Security dollars is a paltry two percent. That's it – two percent. That's not even more than inflation! That's not enough to retire with a nest egg. That's not enough to retire with a sense of security. To me, depending on a two-percent rate of return over the lifetime of paying into Social Security is more of a risk than trying an alternative approach.

Q2: *The Social Security System is stronger than it has been in recent years. Back in 1997 the day when the trust fund would run out was 2029. Now it's gone up 13 years to 2042, and if the economy continues to grow at the rate President Bush says it's going to grow, it will be pushed even farther into the future. Why should we tinker with it now?*

A: Right now we have a strong workforce because of our Baby Boomer generation has not yet retired, and it is this that will drastically change everything. Social Security may be solvent now, and it may run a surplus for 13 more years...but what happens to the next generation of Americans? To do nothing would not be fair. It would not be responsible. It would not meet our obligation as the stewards not just of the past, but of the future. I do not intend to allow America's next generation to inherit a broken system. We in Washington have an obligation not to think merely of the next election but to plan for the next generation.

Q3: *I think the Social Security system is fine and I don't want to invest in a personal account. It seems to me you are forcing the American people to support Wall Street.*

A: The investment options in each individual's personal Social Security account is VOLUNTARY. And that's what our new plan is all about: the freedom to do what you want to do with YOUR money. You probably think you own Social Security right now – but you don't. If you pay into the system year after year but die before you retire, you can't pass on your Social Security benefits to your spouse or your children. And if you think a two percent return on your Social Security is sufficient, you can't change that.

American's deserve the freedom to voluntarily save some of their payroll taxes in a personal account for their retirement. At a two percent return, Washington has done a rotten job managing your Social Security savings. Just putting it in the bank in a long-term account and letting it sit there for a decade or more would have yielded a higher return. We think you can and should have the right to do better.

Let me say this again. YOUR Social Security belongs to YOU. It doesn't belong to Washington. This is not about someone else's retirement security. It is about YOUR retirement security and who will control YOUR savings. YOU should be able to determine how your Social Security dollars will be saved and invested.

Q4: *Can't the Social Security system be fixed by implementing modest changes, including raising the retirement age, or making the wealthy pay Social Security taxes on all of their income?*

A: Unfortunately, it will take much more than modest changes to save our broken system. The Social Security Administration notes that the current system will require a total of \$27 trillion more revenue than it will receive in taxes over the next 75 years. Raising the retirement age or taxes will postpone the crisis, but will not end it. For too long, financial experts and independent economists have warned that Social Security is on a collision course with insolvency.

And yet Washington has not offered a meaningful solution. This is the old way, the political way...to wait for the disaster to occur before making the necessary changes to PREVENT it. It is our responsibility to save and strengthen Social Security NOW, BEFORE the crisis occurs. It is what we were sent here to do and we have to get it done.

Frankly, I raising taxes would seriously harm our nation's economy. We are already over-taxed in this country. As a society, that financial burden cannot be further increased because it would hurt every family in America. Now more than ever, we in Congress have a responsibility to make the tough decisions while not making the burden any harder on the American people.

Q5: *Can't Washington just stop spending so much of the Social Security Trust Fund?*

A: I agree spending in Washington has grown out of control, and I am working to make sure Congress develops a fiscally responsible budget. But unfortunately, the problem lies in the fact that Social Security is not truly a trust fund. For years now, the Social Security "trust fund" was nothing more than a stash of cash that the Washington politicians used for their own pet projects. All that's left is a pile of Treasury Bills – IOUs that you and I will have to pay unless we act now.

Even if the borrowed money was paid back, this crisis will only be delayed – so that further generations can suffer its consequences. The question for us as Members of Congress is, "what are we going to do to make Social Security more reliable for the generations to come?" We have a responsibility in Washington to modernize Social Security in a way that achieves built-in reliability so that NO future generation has to go without retirement security.

Q6: *I have heard it will cost an estimated 2 trillion dollars in transition costs to pay for setting up personal Social Security accounts. How can you justify incurring such an astronomical cost?*

A: I am looking at the financial difficulties our children will inherit if we do nothing, and that's even more frightening. Our choice is between an enormous crisis starting 13 years from now, when Social Security begins to pay out more than it takes in, or facing these challenges today, when they are a lot less expensive. To me, the best course of action is to face these challenges now, protect current retirees and save generations to come from needless financial heartache.

Q7: *Won't this new system jeopardize the benefits of current and near retirees?*

A: Preserving the security of your benefits are a cornerstone of our program. Let me say this again. Your benefits are secure. If you are receiving your Social Security check, or nearing retirement, nothing will be taken away from you. Absolutely nothing.

Q8: *By investing a portion of our Social Security contributions in financial markets, aren't we in essence gambling our money on stocks?*

The financial markets have made America the most financially secure nation on the globe, yet tens of millions of Americans have not had the opportunity to invest. Until now. Every American worker should have the right to own and control their retirement savings account so that they can reap the benefits of a safe, secure and rewarding retirement.

Federal employees and even Members of Congress can enroll in savings plans that give them the right to invest in CDs, treasury notes and other safe investments that yield more than the two percent we get from Social Security. Most Americans now have IRAs and 401K plans that allow them to make choices in how to invest their retirement savings.

And that's all we're getting with Social Security. A paltry two percent. That's even below the inflation rate! That's not enough to retire with a nest egg. There is no security in today's system of Social Security.

And we also have common sense limitations. These personal retirement accounts would give people the chance to take a small portion of their Social Security and invest it. Not their entire Social Security – just a small portion. The majority of their payroll taxes would go into the same system as a safety net.

Q9: *Amidst all the recent cases illustrating the rampant fraud that has taken place on Wall Street, can we trust these fat cats with our hard-earned money?*

Currently our Social Security is being gambled by a Washington Bureaucracy that is spending the Social Security trust fund AS WE SPEAK – and I believe that is a lot more dangerous. The truth is, the bureaucrats have more faith in Washington than they do in you. I put my faith in the American people.

Q10: *I know for a fact that the stock market has crashed several times since its inception, most recently the day after September 11th. Wouldn't an event like this be devastating to my Social Security account?*

It is true the stock market went down after September 11th, but that was just one day. You have to look at stock market returns over time. Since 1985, the Dow Jones industrial average has climbed nearly 400 percent, and individuals who chose to invest a portion of their Social Security will be investing over these long-term periods. The stock market has always out-performed treasury bills and inflation ...combined – a rate far exceeding what Social Security returns now.

Q11: *What other safeguards are in place to ensure my money will be there when I retire, no matter what the financial climate is like?*

A: Aside from the strong performance of financial markets over the long term, as well as the fact that the majority of your account will remain in the Social Security trust fund as a safety net, the personal accounts that will be offered will be fully diversified. By employing a variety of financial products including stocks, treasury bills and bonds, they will allow you to diversify your risk. This diversification of investments is a proven strategy that has been used by millions of Americans who have already benefited with secure and long-term retirement benefits in the form of IRAs and 401ks.

RESTORING THE SECURITY IN SOCIAL SECURITY

(a 20-minute stump speech)

As our nation takes up the great debate around Social Security, I ask you to pause for a moment. This is about something more important, more fundamental to our nation and its hardworking citizens ...this is not just a debate about Social Security – this is a debate over your retirement security.

This is not about the size of a check or what the government owes you, although it may be tempting to think of it that way. You want to be sure that you are provided for in your golden years – that you are secure in your retirement – that you can spend these special years with peace of mind living without fear.

It is this most basic principle – RETIREMENT SECURITY – that we in Washington must address.

For I believe Social Security is not simply a government program, and it is more than a safety net. It is a solemn promise by the United States to generations of diligent, hard-working Americans. It is clear to me that no one who has worked hard their entire life should have to spend their golden years in poverty or live in fear of financial ruin.

For too long, financial experts and independent economists have warned that Social Security is on a collision course with insolvency. And yet Washington has not offered a meaningful solution. This is the old way, the political way ... to wait for the disaster to occur before making the necessary changes to PREVENT it.

Instead of addressing the problem and applying a solution, we in Washington do nothing until the situation deteriorates into a crisis...passing the buck from one generation to the next. And that's the trajectory of Social Security. Maybe not right now, but it's coming.

Well, as Harry Truman once said, "*The buck stops here.*" It is our job in Congress to put an end to this vicious cycle and restore generational fairness to Social Security so that seniors get every dime they are entitled to but that it surveys for their children and doesn't end up bankrupting their grandchildren. It is our responsibility to save and strengthen Social Security NOW, BEFORE the crisis occurs. It is what we were sent here to do and we have to get it done.

First and foremost, improving our Social Security system cannot be a partisan issue. When it comes to the retirement of tens of millions of Americans, there are no Democrats or Republicans. There are only Americans – and those Americans are depending on us to stop the bickering and the cheap political stunts and do what's right for the current generation now receiving benefits, the next generation who are paying those benefits, and future generations who are now just entering the workforce.

(cont.)

I applaud my colleagues from BOTH sides of the aisle for working toward a solution to modernize Medicare and provide a prescription drug benefit. And today, as a team, we again need to come together and enact common sense, effective legislation that will protect American workers now and in the future.

While current Social Security retiree benefits are secure – and will remain so – in a little over a decade the source of these benefits will begin to show deficits, and thirty years from now the system will be spiraling towards bankruptcy. It would be easier to turn away and leave the tough decisions to others. But we do things in life not because they are easy but because they are necessary – no matter how hard they are.

To turn our back on this problem is to turn our back on the future -- our children and the generations to come. We have a profound obligation to provide those that come after us with the same security we have enjoyed. For this to happen, we must take up this discussion – face this challenge – and enact long-term financial improvements to the Social Security system that will guarantee benefits for not just those on it but those who are paying into it.

Pardon the history lesson, but we all know that the current Social Security system was designed for a different generation and a different America. Let me give you four facts that have convinced me that the status quo is unacceptable and that modernization of Social Security is a moral imperative.

First, it is a fact that when Social Security was first created, men made up the vast majority of the workforce and had a life expectancy not much more than 60 years. Today, in a majority of households, both men and women are working, and our life expectancy has risen more than a decade. We are living longer, healthier, more productive lives ... and that trend is going to accelerate as we continue to lead the world in medical breakthroughs. But while that is great for us here today, that's not great for an antiquated Social Security system.

Second, it is a fact that in the 1950s, about 16 workers paid into Social Security for every person drawing out. Today, the ratio is just 3 to 1, and when our kids retire, it will be down to two workers for each beneficiary. The burden we will be placing on the workforce is unimaginable, and it's getting worse. If you think your taxes are too high now, imagine what they will be in the future if we don't make the necessary changes in the present.

Third, it is a fact that the expansive Baby Boom generation continues to age – and the oldest of them turn 60 next year. Because of that, the number of workers in America has increased since the 1950s, but the number of retirees has increased much faster.

(cont.)

And fourth, it is a fact that the return on your Social Security dollars is a paltry two percent. That's it – two percent. That's not enough to retire with a nest egg. That's not enough to retire with a sense of security. And security is what Social Security is all about. To me, depending on a two-percent rate of return over the lifetime of paying into Social Security is more of a risk than trying an alternative approach.

Now these facts come straight from the Social Security trustees, Democrats and Republicans alike. They aren't pretty, and neither is the outcome ...if we continue to do nothing and ignore the facts and whitewash the statistics.

What we need today is retirement security that can grow even stronger as the American people grow strong. What we need is retirement security that keeps pace with us. What we need is to strengthen Social Security so it in fact DEFINES retirement security.

Let me be frank. With each year we put off improving this system, the higher the price our children and grandchildren will have to pay. We also know that any change to our system will create short-term costs. I tell you this because I want to be upfront with you. I believe you have a right to know the fine print before you make a decision. Life is full of enough surprises – Washington should be honest with you and not sock it to you when you least expect it.

The plan I am about to outline will cost roughly a trillion dollars over the next ten years – and that's a lot of money. But according to the Social Security Administrators, to do nothing will cost 11 trillion dollars – and every year we put this off, the bill to our children and the next generation increases by \$600 hundred billion.

Our choice is between an enormous crisis starting 13 years from now, when Social Security begins to pay out more than it takes in, or face these challenges when they are a lot less expensive today. To me, the best course of action is to face these challenges now, protect current retirees, and save generations to come from needless financial heartaches.

One more point, and this one is strictly my opinion. Fixing Social Security is an issue of fairness...**GENERATIONAL** fairness. We should have a system that is fair to our parents and fair to the baby-boomers, but that is not enough. It has to be fair to our children and their children as well.

It may be solvent now, and it may run a surplus for 13 more years ...but what happens to the next generation of Americans? To do nothing would not be fair. It would not be responsible. It would not meet our obligation as the stewards not just of the past but of the future.

(cont.)

This great nation has made its share of mistakes, many of which were products of hard decisions put off to future generations...problems that were avoided by bequeathing them to our children. I do not intend to allow America's next generation to inherit a broken system. And we in Washington have an obligation not to think merely of the next election but to plan for the next generation.

The answer involves ownership – owning and controlling your Social Security savings. You probably think you own your Social Security now – but you don't. If you pay into the system year after year but die before you retire, you can't pass on your Social Security benefits to your spouse or your children. If you don't think a two percent return on your Social Security is sufficient, you can't change that.

Now remember... it's YOUR money. It doesn't belong to Congress, to the President, or even to the Social Security Administration. It's YOUR money. Social Security is a basic right that you have paid for. The question is *“are you going to make the government accountable?”*

And the question for us as members of Congress becomes, “what are we going to do to make Social Security more reliable for the next generation?” We have a responsibility in Washington to modernize Social Security that achieves built-in reliability.

Let me say this again. YOUR Social Security belongs to YOU. It doesn't belong to Washington. This is not about someone else's retirement security. It is about YOUR retirement security and who will control YOUR savings. YOU should determine how your Social Security dollars will be saved and invested.

It is up to Washington to make the necessary reforms so that Social Security provides the opportunity for a better return than what it provides now. Two percent is not enough. You deserve more – and you deserve investment opportunities that are safe and sound for the long term, so that you will have peace of mind knowing that your retirement benefits will be there when you need them and expect them.

Federal employees and even Members of Congress can enroll in savings plans that give them the right to invest in CDs, treasury notes and other safe investments that yield more than the two percent we get from Social Security. Most Americans now have IRAs and 401K plans that allow them to make choices in how they invest their retirement savings.

And that's what Social Security personal retirement accounts are all about – allowing Americans to voluntarily save some of their payroll taxes in a personal account for their retirement. At a two percent return, Washington has done a rotten job managing your Social Security savings. Just putting it in the bank in a long-term account and letting it sit there for a decade or more would have yielded a higher return.

(cont.)

We think you can and should have the right to do better.

Personal retirement accounts can turn every American employee into an owner, giving them a retirement fund they control themselves and can truly call their own.

But we also believe in common sense limitations. These personal retirement accounts would give people the chance to take a small portion of their Social Security and invest it. Not their entire Social Security – just a small portion. The majority of their payroll taxes would go into the same system as a safety net.

It would be voluntary, not mandatory. If you don't want to invest, you don't have to. If you want Washington to manage your money, you will have that right.

There would be strict limits to how much and where YOUR Social Security personal retirement account could be invested, but YOU would be making the decisions, not some bureaucrat in Washington.

The financial markets have made America the most financially secure nation on the globe, yet tens of millions of Americans have not had the opportunity to invest. Until now. Every American worker should have that right to own and control their retirement so that they can reap the benefits of a safe, secure and rewarding retirement.

Here's what will not change, however. If you are receiving your Social Security check, or nearing retirement, nothing will be taken away from you. Absolutely positively nothing. Your benefits are and will remain secure.

Partisan critics of this plan argue that giving employees the right to control their retirement is essentially the same as gambling on the stock market. My first response is to say that they are gambling on a Washington bureaucracy that is spending the Social Security Trust fund AS WE SPEAK – and that is a lot more dangerous. The truth is, they have more faith in Washington than they do in you. I put my faith in the American people.

So I ask you to focus on the facts, study the issue, and then make up your own mind. When it comes to financial literacy and Social Security, the more you know, the better off we'll all be.

Social Security has worked for decades and for generations. But as it now stands, this is not a modern system that meets modern needs. We have a terrific opportunity right now. Imagine the peace of mind in knowing the contributions you make each month to Social Security will result in a real nest egg of savings for your retirement that you own and no one can take away from you.

After all ... it is your money.

LAWSUIT ABUSE REFORM: A Common Sense Approach

THE TEN PRINCIPLES OF LAWSUIT ABUSE REFORM

This is a winning issue for Republicans. The public is on your side – well over 70% of the American public want lawsuit abuse reform. But unless you get the tone right, that won't matter – you will lose the argument. The key is communicating it.

Especially in the wake of September 11, the public has less tolerance than ever for anyone perceived to be taking advantage of other Americans. Out-of-control lawsuit abuse can seem like an illogical *Alice in Wonderland* creation in light of the shift in priorities that has taken place since the war on terror began. Adherence to these ten principles will help you communicate your effort to restore sanity to the legal system:

- 1) **Tone and context is everything.** If you don't get the tone and the context right, nothing else matters. Yes, there is a strong desire for lawsuit abuse reform, BUT there is a right way and a wrong way to speak to that desire. Get it wrong, and you will undermine your credibility – not the personal injury lawyers. Americans are opposed to the abuse of the system, not to every lawyer out there.
- 2) **Talk about the specifics – spell out the problems caused by lawsuit abuse.** You have to address the specific problems that America's out-of-control legal system is creating. It is essential to take Americans with you each step of the argument. So relate lawsuit abuse to the real life problems it is causing.
- 3) **Personalize, Personalize, Personalize.** It is a communications mistake to talk about the effects of lawsuit abuse on the economy as a whole or any other big abstraction. You must talk about the consequences for ordinary Americans – how it impacts everyone from pregnant mothers to America's hardworking employees.
- 4) **Don't overstate the impact of lawsuit abuse.** Americans believe that lawsuit abuse is a serious problem, but they don't buy arguments that lawsuit abuse is the sole cause of rising healthcare costs, doctor flight or outsourcing. You can say lawsuit abuse *contributes* to these problems, but you can't say it's *causing* them.
- 5) **Third party endorsements matter.** Let me blunt. The B.S. meter of the average American voter is high. People want to know that respected authorities agree with you. It is important to people that the American Medical Association has designated their state a 'state in crisis' because of the shortage of doctors.

- 6) Individuals who have been wrongly injured deserve their day in court. Americans believe that everyone has a right to their day in court. They agree that we need to make our courts more accessible to real victims and less accessible to unfounded lawsuits. And they agree that it should not take years to bring legitimate cases to trial because the system is jammed with frivolous lawsuits.
- 7) It is essential that Americans can access healthcare when and where they need it. Runaway lawsuits are forcing doctors, including many OBGYNs, out of the profession and forcing many more to practice defensive medicine, blocking access to healthcare for all Americans and risking lives in emergency situations.
- 8) There must be a common sense cap on punitive damage awards. Someone who buys hot coffee at a drive-thru and then spills it on herself is not entitled to a \$2-million settlement. An employee who finds an employer's language offensive is not entitled to tens of millions of dollars because of "pain and suffering." Americans believe it's time to restore common sense to financial rewards.
- 9) It's time to return to responsibility as the core principle of our legal system. Damages should be awarded according to who is at fault rather than who has the deepest pockets. Those who are primarily responsible for damages should pay promptly, but it's time to stop targeting people and businesses just because they are financially successful.
- 10) Lawsuits should not be "strike it rich" schemes for lawyers – and losers should pay the costs of frivolous lawsuits. There must be reasonable limits to what lawyers can take from their clients. Otherwise, lawyers get the lion's share of the settlement and the victims end up with scraps. Judges should discourage lawsuit abuse by holding lawyers who file frivolous lawsuits accountable for their actions

OVERVIEW

A New Mexico woman buys a cup of coffee at McDonald's, spills it in her lap, sues the fast food giant, and the jury awards her more than \$2 million. A Port Isabel, Texas, man injures his knee when a small dog runs in front of his bicycle. He sues and is awarded \$1.8 million. A *drunken* San Antonio man wanders into a public stairwell *to urinate*, falls down, injures his back, sues, *wins!!*, and is awarded \$8,000 in damages.

America has far too many frivolous lawsuits, absurd jury awards and outrageous plaintiffs' lawyers. They wreck small businesses, damage the economy, punish consumers, deprive Americans of essential healthcare and cost all of us a lot of money.

Republicans can never go wrong criticizing lawsuit abuse. For statistical purposes, you start with a potential pool of 81% of the electorate that believes "*laws should be enacted to make it tougher for lawyers to file frivolous lawsuits.*" That's pretty darn good.

So you start out with the American public on your side. ~~But to keep them there, you need to talk about this issue using the right *tone, context and language.*~~

KEY COMMUNICATION POINTS

- 1) **The system is broken.** Start here. Americans fundamentally feel the current legal system is broken. No doubts. No exceptions. It isn't fair. It isn't balanced. This is a winner with the electorate – the eight out of ten who want to make it tougher to file frivolous lawsuits.

Talk about the ideals of the profession, and how lawsuit abuse is tarnishing those high ideals. *It isn't working.* 90% of Americans believe major changes are needed '*to restore common sense and balance*' to the legal system.

So say it. '*The current system is needlessly confusing, takes too long, costs too much money, makes health care more expensive for others, and ends up truly benefiting only the lawyers involved.*' Then talk about the alternative.

The phrase "frivolous lawsuit" is fully understood and says everything you want it to say. The language voters used to describe a frivolous lawsuit should be music to your ears: crooks, fakers, cheats, rip-off, scam, fraud, etc. Here, you definitely have the language advantage.

WORDS THAT WORK

Access to quality healthcare is a right, not a privilege. Unfortunately, America's personal injury lawyers are threatening that right with frivolous lawsuits and courtroom antics that are raising everyone's premiums and pushing doctors out of the profession.

YES, lawsuit abuse IS crippling our healthcare system. YES, lawsuit abuse IS a 'crisis' in America. And YES, people ARE paying more and getting less because of the lawsuit epidemic.

The fact is, doctors are closing up shop because insurance premiums are skyrocketing. The price of saving lives is just too high so they simply stop practicing in fields where excessive awards are commonplace. And when the life-savers stop saving lives, we know what chilling reality ensues...

...There is too much fraud. There is too much abuse. Too many doctors are leaving and too many hospitals are closing.

Something must be done, and done NOW.

MORE WORDS THAT WORK

Individuals who have been wrongly injured deserve their day in court. We must make the courts more accessible to real victims, and less accessible to unfounded lawsuits. Tragically, our court system is so jammed with frivolous and groundless lawsuits that it can take years to bring a legitimate case to trial. This must end.

- 2) **Personal injury lawyers, not trial lawyers is the term you should use.** A good indicator of the depth of emotion Americans have regarding the current legal system is their utter disdain for the term personal injury lawyer. When asked what comes to mind when they hear the term '*personal injury lawyers*,' Americans use words like ... '*creeps*,' '*bottom-feeders*,' '*overpaid*,' and '*evil*.' You don't want to use those terms yourself – and you don't have to – just call them personal injury lawyers – Americans already know what they think of them.

There is universal agreement that navigating the current system cannot be accomplished without the aid of a lawyer or, more likely, a *team* of lawyers. Americans do not believe this is a good thing, or an accident. They suspect that it was the personal injury lawyers themselves who have designed the current system ... and with their own financial gain in mind.

WORDS THAT WORK

As a matter of principle, damage awards should go to the victim, not the lawyers. They absolutely deserve to be paid, and they deserve fair compensation when they perform well, but lawsuits should not be "strike it rich" lotteries or schemes. There has to be some limit to what lawyers can take from their clients. Otherwise, lawyers end up with the lion's share of the settlement and the victims end up with little more than the scraps...

...There is no reason – NONE – that a personal injury lawyer should walk away with a \$50 million dollar cut of a medical liability settlement. That money belongs to the victim, or the hospital, or to us. And if you don't agree, be prepared to pay more, a lot more for your healthcare, because someone's going to pay.

- 3) **Link lawsuits with healthcare access and affordability.** Americans accept the direct link between lawsuits and higher insurance premiums and declining access to quality healthcare – *but they don't want to blame lawsuit abuse for the entire problem, so make sure you communicate that it contributes to the problem.* The argument for reform with the most resonance is the one that demonstrates the adverse domino affect these lawsuits have on the health care system. In particular, all the legal battles necessitate the spending of huge sums of money in the lengthy defense process, regardless of culpability. In a sentence: *“Money that should have been spent in the operating room ends up being spent in the courtroom.”*

The result? *“Doctors and medical facilities are distracted and diverted from their proper health care mission, spending money to defend themselves rather than helping others. In the end, it is the consumer, the patient, and those in need of medical attention who suffer.”* This is a good argument, so make it.

WORDS THAT WORK

Remember that every time you hear about another \$100 million verdict, two things will happen. Number one, the cost of healthcare will go up for you and for the doctors and hospitals you need. And two, whether or not YOU can afford the higher costs, your doctor, your emergency room, and your hospital may be forced out of business. It's happened in Nevada. It's happened in West Virginia. It's happened in a dozen states. And it can happen right here.

When one person wins big, we ALL LOSE.

Another effect of runaway costs and the growing burden of medical malpractice insurance that Americans will relate to is the drain of doctors and medical facilities from states without caps on malpractice awards. While money will always be a concern, *“accessibility can be a matter of life or death.”* In an emergency, cost is not a consideration ... *access is:*

- Families of individuals with chronic conditions may be forced to relocate if there is healthcare flight. Give them real life examples.
- The unavailability of OBGYN care for young mothers and families is another issue that moves your audience and should be emphasized..

Access is the key word, and the lack of access to healthcare is the most direct threat if the current system is not reformed. But when you talk about access you must *spell out in detail* why lawsuit abuse is forcing good doctors to close up shop and practice defensive medicine. If you don't, voters won't make the link between healthcare flight and lawsuit abuse.

MORE WORDS THAT WORK

Doctors are closing up shop because it's too expensive to practice medicine, thanks to skyrocketing insurance costs caused by skyrocketing court costs. In some communities there may be no doctors, no trauma centers and no hospitals, forcing people to drive long distances to get the care they need.

Increasingly, for Americans, the doctor is not in – and consumers like us are out of luck. It shouldn't be that way.

Lawsuit abuse is forcing up the cost of health insurance. Every huge settlement from a frivolous lawsuit makes it more expensive for doctors and hospitals to provide medical care. And that means it costs more to get medical care. As a result, millions of Americans go without the healthcare they need and everyone with health insurance is paying more than ever but getting less in medical coverage.

Instead of improving care, lawsuit abuse is forcing doctors to practice defensive medicine. Instead of encouraging doctors to use their best judgment, knowledge and experience to help their patients, lawsuit abuse forces doctors to practice a form of lowest common denominator medicine.

Instead of investing in healthcare that is delivered in the operating room, we are spending way too much money suing each other in the courtroom. There must be a better way.

As a matter of principle, we deserve a system that provides the highest quality care to the most people when, where and how they need it. But lawsuit abuse is making this goal unachievable.

Just pick up the newspaper or turn on your TV and you'll understand why this is happening. Verdicts of \$20 million, \$40 million, even \$75 million against doctors and hospitals. And you know who pays them? Not the doctor. Not the hospital. We do.

- 4) **The best approach on healthcare is to talk about 'States in Crisis.'** The fact that a state has been designated a 'state in crisis' by the American Medical Association is effective because it is personal – it is about your state – and because it connects lawsuit abuse to healthcare – a big priority for voters. It also works because the AMA has huge credibility among American voters, more so than... er... politicians. Back the AMA designation up with stories from local newspapers.

THE BEST OPENING LINE

Did you know that your state is considered a 'state in crisis' by the American Medical Association?

- 4) **To win support for the cap, personalize the issue.** Once people see liability reform as an issue of accessibility, it becomes real and personal to them. It is about them. *It is about their family.* And it goes beyond party affiliation. When the issue becomes patient protection, even some Democrats want change (they will disagree with you only about the size of the cap).

Yes, talk about the abuse; the fraud; the get-rich-quick mentality among personal injury lawyers that is crippling our healthcare system and hurting too many innocent Americans, but personalize it by explaining what it means in dollars and cents and in decreased access. *If you don't make it personal, it won't matter.*

THE PERFECT PITCH

If we don't get this national greed under control the doctors won't be there when we need them.

Let's face it. We are making it impossible for doctors and hospitals to stay in business. Nineteen states today are in crisis due to a legal system that's out of control. This is not a lottery. For each multi-million dollar, frivolous settlement, we are forcing doctors and hospitals out of business, and we all pay the price. Curbing lawsuit abuse is not only a matter of the rising cost of our health insurance.

If we don't control this situation, our doctors and emergency rooms and trauma centers will not be there when we need them most. We need to wake up. This is a life or death situation, and we need to take action right now.

Why is that last statement effective? It causes them to personalize this issue. It causes them to think in terms of *their* family, not the family across the street. Moreover, this statement paints a vivid picture of the abuse prevalent in the current system. It allowed these voters to envision a person sitting on their couch and being swayed by a personal injury lawyer commercial. *No medical situation is more frightening than not being able to access treatment in an emergency.*

WORDS THAT WORK

Expectant mothers need to know that the medical and childbirth care they need is nearby – not several hours' drive away. Distance matters in emergencies. How long it takes to get to the nearest ER can literally mean the difference between life and death.

What if the worst were to happen to you or someone in your family? In those circumstances, we all want the very best medical expertise available. But what if it's not? What if the trauma center has closed? For people in several states across the country, that "what if" is now a real life reality. States that have passed lawsuit abuse reform don't have this problem, but states that haven't are heading into crisis. And the crisis is here.

Again, the most personal is the most credible:

WORDS THAT WORK ... AGAINST YOU

When innocent people who are injured seek compensation from those who caused their injuries, it's anything but frivolous. When a preventable careless medical error forces a child into a wheelchair for the rest of his life, it's anything but frivolous. And when someone close to you suffers due to doctor negligence, their right to a day in court is anything but frivolous.

That's why you need to start with the argument that *innocent victims deserve their day in court*. Then emphasize that there is NO cap on economic damages being proposed. Everything from medical bills to lost wages will be covered – which is what scares people the most about a medical accident. Then tell them you are simply trying to end the *fraud* and *abuse* that exists in the current system.

- 5) Justice and fairness are the two principles that matter MOST to Americans so they need to matter most to you. Americans are genuinely moved by human suffering. We have a deep desire to help and protect those we see as victims. You must make it clear again and again that the cap is just, fair, and protects those who have been hurt.

WORDS THAT WORK

Let's talk about what lawsuit abuse is doing to the medical community. Doctors are suffering. Their insurance premiums are on the rise, which is forcing many of them out of fields of medicine that are at risk for huge settlements. And while insurance premiums increase for a number of reasons, the single biggest reason are the excessive malpractice lawsuits.

Don't try to find an OBGYN in any of the states the American Medical Association has designated as 'in crisis.'. They're closing up shop because they can't afford the insurance. Don't expect to see trauma centers fully staffed. Same reason. Doctors are leaving the fields of medicine where they are most needed because their insurance costs are through the roof. If we truly want to protect our access to quality healthcare, we need reform now.

- 6) **Stress the balance in the legislation.** That is, don't start by telling voters what they can't have (more than \$250,000 in punitive damages). Start by telling them what they CAN have. In communicating this legislation, begin by describing the full gamut of awards still being received by the 'victim.' Americans have a very difficult time putting a cap on the value of human life. A cap of \$250,000 on the value of 'pain and suffering' makes even supporters of the legislation somewhat uncomfortable. With a cap of one million, almost everyone would support the change. So what should you say?

WORDS THAT WORK

All medical expenses will be covered, both now and in the future as a result of malpractice. The patient's anticipated earnings will also be awarded for as long as necessary, possibly for life. There will be no out-of-pocket expenses, and the victim will receive medical treatment at no cost to him/her. In addition, the victim will receive additional compensation for pain and suffering, up to \$250,000. It is only the pain and suffering award that will be capped. The patient will be taken care of and supported in full, *for life*.

MORE WORDS THAT WORK

First and foremost, as a matter of principle those who have been wrongly injured deserve their day in court. Legitimate mistakes and, tragically, even true negligence, still exist in medicine today. There are times when people go into hospitals seeking care and come out worse off than when they entered. Those victims have every right to a judicial system that is fair and speedy.

Patients will receive ongoing compensation for their medical expenses, their rehabilitation costs, their domestic expenses, and any past or future lost wages, if they are harmed by a physician's negligence...

...So let me be clear. The main goal of any lawsuit abuse legislation must be to put an end to the out-of-control PUNITIVE damage awards in America ... the \$50, \$75 and even \$100 million dollar paydays and legal lotteries that are crippling the healthcare industry, costing all of us more and more, and making healthcare less available and accessible.

We all remember the McDonald's lawsuit ... millions paid out to a woman who, at a drive-through window, spilled coffee on her lap that was – go figure – HOT!

- 7) Never attack juries. To do so is, essentially, to blame Americans for the problem – and they won't like it at all. Instead, focus on the system. As one person put it, it is not the lawyers that decide these outrageous verdicts; they are simply working within the confines of the system. So too are the juries. We need instead to get at the root of the problem ... and that is the very system that facilitates this abuse.

Talk about the broken system. Talk about the politicians – *but don't be partisan* – who are saying 'no' to balance and to change ... who are saying 'no' to patients, doctors and the future of the healthcare system in America. And talk about the personal injury lawyers who are enriching the democratic coffers to ensure that lawsuit abuse reform is never passed.

WORDS THAT WORK

Democrats and Republicans should come together in partnership with legislation to end lawsuit abuse.

- 8) **Beware of tangents.** The cost of healthcare is a highly charged issue for most people. Raising the topic of medical liability reform often leads people to another issue close to their hearts – the rising costs of HMO's, health insurance and prescription drugs. They easily confuse one with the other. It's important to keep your audience specifically focused on the issue of medical liability reform. That's why it's important to focus on lawsuit abuse as contributing to these wider problems – rather than claiming it is their sole cause. And that's why you must always explain how and why lawsuit abuse is driving up the cost of healthcare.
- 9) **Talk about the EXCESS.** It is the exception that proves the rule. While the system is widely recognized to be in need of reform, Americans retain a strong concern for the victim. After all, there, but for the grace of God, go each one of us. The way to sway these voters is to emphasize the extremes – everyone opposes the excesses.. Talk about the abuse – the \$80 million settlement in Texas ... the exorbitant legal fees ... the McDonald's 'hot coffee' case. This is a zero sum game. Today, it is a lottery. When a few can win big, we all suffer.

WORDS THAT WORK

As a matter of principle, damage awards should go to the victim, not the lawyers. Lawsuits should not be "strike it rich" lotteries or schemes for lawyers. There has to be some limit to what lawyers can take from their clients. Otherwise, lawyers end up with the lion's share of the settlement and the victims end up with little more than the scraps.

And it's not about the additional money in the pockets of the victims, but rather the message that this would send to bad doctors. Again ... this is an absolute winner.

We found overwhelming consensus on this point... a system that is supposed to be about justice has become too much about money. There is too much fraud. There is too much abuse. Our legal system has become, quite literally, a lottery.

THE PERFECT PARAGRAPH

No amount of money will make someone whole again. As a matter of principle, if a doctor is found to be responsible for negligence they should be punished to the greatest extent of the law. But let us not destroy the healthcare system in the process. Let us not make healthcare LESS available. Let us not make healthcare LESS affordable. We must enact balanced reforms that will preserve America's access to a superior healthcare system. Our ultimate goal is NOT to limit justice, but to limit abuse.

- 10) **Talk about the economy in terms of small businesses, not statistics.** Americans won't accept that lawsuit abuse is the cause of outsourcing – there are simply too many other factors involved. But you can say that lawsuit abuse is making it more expensive for small businesses to do business. And you can explain that those higher costs make it harder for small businesses to hire and retain workers. Americans accept that this is largely an American problem.

WORDS THAT WORK

Unfortunately, America has become the lawsuit capital of the world, and a personal injury lawyers' paradise. There are now more attorneys in California than the entire continent of Europe.

You can say that the increased fear of lawsuits is just another reason for companies to look elsewhere to build new factories and expand their business.

REPUBLICAN RHETORIC THAT WORKS

It is a crisis. It is getting worse. It should be no surprise that this medical malpractice liability crisis is having a negative effect on the way these much needed specialists practice medicine...

...In fact, a recent survey—a fascinating survey—showed that 70 percent of neurosurgeons responding said they have had to make at least one of five practice changes. So if 100 responded, 70 said they have had to do one of these following things to narrow down or change their practice in response to the medical malpractice crisis: referred complex cases, closed their practice, moved to a different state, stopped providing patient care or retired. Runaway lawsuits are forcing neurosurgeons and other specialists to limit emergency services.

Again, it is not the doctor who is being hurt, it is the patients who are being hurt, and it is future patients, and that means potentially everybody listening to me now.

Senator Frist

Patients and doctors ought to be on the same side, working together; but fear of the legal system puts them in opposite corners and pits them against one another. There has to be a better way.

Senator Enzi

REPUBLICAN RHETORIC THAT WORKS

All of us want access to quality, affordable health care. When the quality is not there, when people die or are truly sick due to negligence or other medical error, they should be compensated. When healthy plaintiffs file meaningless lawsuits to coerce settlements or to shake the money tree to get as much as they can get, there is a snowball effect and all of us pay the price.

For the system to work, we must strike a delicate balance between the rights of aggrieved parties to bring lawsuits and the rights of society to be protected against frivolous lawsuits and outrageous judgments that are disproportionate to compensating the injured and made at the expense of society as a whole. I repeat that again. For the system to work, we must strike a delicate balance between the rights of the aggrieved parties to bring lawsuits and the rights of society to be protected against frivolous lawsuits. . . Society as a whole.'

Senator Voinovich

This is not just about big hospitals with shiny buildings owned by corporations. This ultimately comes down to the individual who wants what we all want, and that is access to good quality health care, but who simply cannot find it because they either cannot afford the health insurance or their employer has been priced out of the market because of booming health insurance premiums, in large part caused by this liability crisis or, as we have seen, simply the doctors who, rather than live in the crosshairs of this broken system, decide to retire or to move away to some other location.

Senator Cornyn

With this data in mind, I have created a comprehensive, 25-minute speech, found on the next page, that covers virtually all areas of the issue. States that are considering some aspect of legal reform will find the rhetoric very helpful.

**REPAIRING OUR BROKEN LEGAL SYSTEM:
A CALL TO REFORM**

Plaintiffs' attorneys: \$49 million! Flight attendants: zero!

That's the negotiated outcome of a national class action suit brought by non-smoking flight attendants who claimed injuries caused by exposure to second-hand smoke while working. The plaintiffs got a study that will be financed by the tobacco industry – and that's it. Their lawyers got all the cash. All of it.

Wherever one stands on the merit of this case, its outcome illustrates that America's civil justice system has fallen into serious disrepair. It has been hijacked by a small number of plaintiffs' attorneys who have poured millions of dollars into the political system and transformed America into the lawsuit capital of the world.

As a nation, we face truly unprecedented economic, social and political opportunities. Power – once defined solely by geographic boundaries and bombs – is now better illustrated by hard drives, gigabytes and access to the World Wide Web. Americans are the world's cultural icons, and our economy alone will propel the rest of the world in the 21st century.

It's an exciting time, but a disturbing trend is emerging, and it threatens to stifle economic growth, hinder prosperity and undermine the principles of fairness and justice in this country.

This trend isn't the result of foreign competition, for our products and services are the best in the world.

It is not the result of unfair trade practices, for our economy has withstood and overcome this challenge before.

And it isn't because American businesses cannot compete successfully, for we have the most productive and highly trained workforce on the planet.

The trend I speak of is the slow and insidious destruction of our legal system at the hands of a small group of personal injury lawyers. We have allowed personal injury lawyers to abuse our legal system – and it's costing all of us a fortune. But what's most disturbing is that this trend discourages medical innovation, delays the finding of cures for disease, bankrupts small businesses and tears the social fabric of our great nation.

That's why our greatest challenge, as a business community and as Americans, is reeling in renegade personal injury lawyers and ending the climate of lawsuit abuse in our country.

Repairing Our Broken Legal System (Contd.)

The statistics are staggering: The tort system alone now costs consumers and businesses an estimated \$160 billion a year -- \$2,400 for a family of four. That's more than the federal government spends on transportation and Head Start combined!

Less than half the money transferred through the tort system ever reaches the victims, yet lawyers routinely earn multi-million dollar fees in class action suits.

There are more lawyers in California than there are in all of Europe

So bad has lawsuit abuse become, that even some of the earliest opponents of reform have recognized that this isn't a partisan or ideological issue -- it's an issue that rattles the very core of our country's economic foundation.

After a run for the presidency and a quarter century on Capitol Hill, George McGovern left public service and became a business owner. And what did McGovern say about how plaintiffs' lawyers have changed society? In his own words: "*We have begun to see one another not as compatriots, neighbors and fellow citizens but as potential plaintiffs and defendants.*"

McGovern is right. He was flushed out of business after nearly drowning in lawsuits.

Indeed, by undermining the foundations of our legal system, lawyers are undermining American society itself the personal injury lawyer, once regarded as guardian of the unprotected, champion of the *little guy*, has become a robber baron with his own little scam. Armed with the title *juris doctor* and open-ended contracts known as contingency fees, personal injury lawyers seek not to balance the scales of justice, but to line their own pockets at the expense of American businesses and consumers. They get rich, and you and I foot the bill.

Our courts should concern themselves with establishing right and wrong, instead of turning over the legal system to those who want to overturn the scales of justice. Litigation, it seems, is now more highly valued, and more profitable, than innovation. The class action lawsuit -- in which a lawyer sues on behalf of some supposedly-wronged group, often composed of millions of people, and collects millions while the offended parties themselves get less than a dollar each, if they bother to claim it -- has been the subject of particular abuse.

A study by the RAND Institute for Civil Justice noted that some personal injury attorneys "routinely scan electronic databases and the press to find reports of product recalls, safety warnings, regulatory actions and other consumer complaints that can provide the basis for class actions." Lawsuits are often filed on behalf of

Repairing Our Broken Legal System (Contd.)

people who don't even know they are parties to a suit. The lawyers then seek out a friendly jurisdiction – and, since federal courts have tended to be strict about criteria for class action suits, these attorneys often file in friendly state courts. They also go shopping for sympathetic juries that will levy huge punitive damages awards.

Some personal injury lawyers are particularly fond of finding a high tech company that hasn't performed as well as projected and suing it.

If doesn't take a genius, an economist or a psychologist to figure out the allure of these class action lawsuits. Attorneys' fees sometimes reach \$35,000 or more an hour. In the tobacco settlement, one firm scored a \$780 million dollar windfall. Is that justice?

Is it surprising that faith and trust in our legal system is at an all-time low? A fair and balanced legal system is critical to the political health and well being of our nation. Yet today, we have a legal system that is unfair, unbalanced and widely unpredictable. How many of you truly believe that the guilty are punished and the innocent go free? How many of you truly believe that justice in America is swift and sure? How many of you have complete faith and confidence that our legal system works for all Americans?

The real victims of all this legal activity are the small business owners, teachers, doctors and homeowners whose lives are ruined by baseless lawsuits. More often than not, it's the "little guy," the innocent, hard-working American who gets taken to the cleaners. A recent case involving flight attendants resulted in \$49 million in legal fees for the lawyers ... and *no* compensation for the attendants.

Just think about *how much more* you have to pay for everyday household products, for medical care, for car insurance, for thousands of different necessities ... all because of unreasonable lawsuits.

The legal system should protect the innocent, punish the guilty and make people whole again. It should not exist to make lawyers rich and fat. For too long, Washington has protected high-priced, high-flying lawyers. It's time to return fairness to the legal system.

So the question we face as elected representatives of the people, sworn to uphold the Constitution and dedicated to a strong, healthy economy for all Americans, is how to approach the trial lawyer industry.

Make no mistake. It is an industry, business is booming, the personal injury lawyers' lobbyists are powerful, and they never quit.

Repairing Our Broken Legal System (Contd.)

Since I began my remarks tonight, somewhere in America, another personal injury lawyer in search of a big payday filed another class action lawsuit.

By the time I'm finished a few minutes from now, a thousand Internet hours will have been cumulatively spent in search of the next corporate victim. They'll have downloaded millions of bytes of data from their litigation web-sites – dedicated to topics ranging from, and I quote, "*Tipping vending machines,*" "*How to seek out auto accidents,*" "*Trip and fall for a million dollars,*" and "*Settling claims for fun and profit.*"

Suing corporations is the fastest growing profession in America, and the trial lawyer industry has sectors specializing in medical law, auto accidents, employment law and financial law. There is even an emerging market of suing industries in emerging markets. And thousands of lawyers have ideas for new state laws that will increase their profitability and make it easier for them to sue.

For example, we've all heard the story of the New Mexico woman who bought a cup of coffee from a McDonalds drive-thru, spilled it in her lap and then sued the fast food giant for more than \$2 million. For those of you wondering why your coffee is always cold ... you can stop wondering.

Or how about the Port Isabel, Texas, man who injured his knee when a small dog ran in front of his bicycle? The jury awarded him \$1.8 million.

And haven't things gone too far when a *drunken* San Antonio man wanders into a public stairwell to urinate, falls down, injures his back, sues and wins \$8,000?

Incidents like these speak volumes about the depths to which our personal and professional lives have been affected by the excesses of the legal profession. A balanced, fair legal system is critical to the political, economic and social well being of our nation. Yet, today we have a legal system that is *unfair, unbalanced and widely unpredictable.*

The shattering of faith in our legal system goes hand-in-hand with the shattered faith in many of our institutions – government agencies, our political system and even community based non-profit organizations. We should also realize that excessive litigation has become ingrained in our culture. To fix it, we need to end it. *We need to sue each other less and care for each other more.*

Yet it is clear that reform won't come from within the legal profession itself. So today I am introducing the *Common Sense Legal Reform Act* to mark a starting point on the road to the restoration of common sense and decency in the field of law. The legislation has five specific components:

Repairing Our Broken Legal System (Contd.)

1. *It limits excessive punitive damage awards. They destroy small businesses, damage the economy and cost taxpayers too much money.*
2. *It gives juries specific guidelines on awarding punitive damages. Some limits must exist or we'll continue to succumb to "lotto fever."*
3. *It gives judges the authority to make losers pay the costs of frivolous lawsuits.*
4. *It protects state laws and measures that limit the fees and percentages personal injury lawyers may charge to reasonable levels.*
5. *It protects reasonable caps on lawsuits and discourages lawsuit abuse.*

This is just the beginning. We need to create a judicial system that is accessible to everyone and provides full and speedy redress for genuine injury, but limits frivolous lawsuits and outrageous attorneys' fees.

And so I challenge the legal profession to join this effort and not stand in the way. Next to American consumers and companies, the biggest losers in allowing the litigation explosion to continue unchecked are the respectable lawyers whose profession has been tainted by the actions of a relative few.

That's why all Americans should join us in our fight to reform the American legal system and ensure that small businesses and American consumers continue to enjoy their place as the world's economic leader. I invite all Americans, including those in the legal profession, to join us in charting a course of responsible reform, to restore vitality, fairness and common sense to a justice system that once was, and can again be, a model for the world.

We owe it to our children to pass on to them our American traditions, our great institutions and our pioneering, entrepreneurial spirit, all anchored by a legal system of unquestioned *balance and integrity*.

AN ENERGY POLICY FOR THE 21ST CENTURY

THE EIGHT ENERGY COMMUNICATION GUIDELINES FOR 2005

- 1) A threat to America's energy security is a threat to national security. Our "dependence" on *OPEC* and *foreign oil* entangles us in the *Middle East* and makes us dependent on *countries that are hostile to America and American interests*. The greater America's dependence on foreign energy, the greater the threat to American national security. This is the single most important communication recommendation.
- 2) Articulate the need to move toward American energy independence and energy self-sufficiency. It is the optimistic, hopeful flip-side of the national security argument. It is not enough to say what we *don't* want. We need to offer a positive goal.
- 3) We need to take a BALANCED approach to solving our energy needs through DIVERSITY of supply. These two principles are closely linked and crucial to demonstrating that your approach is both long-term and comprehensive.
- 4) Reject talk about "choosing between more energy and a cleaner environment." Assert clearly that "we have to do both." The key principle is "*responsible energy exploration.*" And remember, it's NOT *drilling for oil*. It's *responsible energy exploration*.
- 5) Innovation and 21st Century technology should be at the core of your energy policy. Articulate how *21st Century technology and innovation* will provide the *solution* to our current energy situation. The following sound-bite works best: "*We have the best scientists, the best engineers and the best technicians in the world. It's time to put them to work to develop a 21st Century energy program that leads America toward energy independence and self-sufficiency.*"
- 6) Stress alternatives that are CLEAN, EFFICIENT, and AFFORDABLE. Alternative sources of energy aren't really viable unless they meet these three criteria. Stress that increasing energy supplies MUST be done by "*using energy more cleanly and efficiently and ultimately making it more affordable.*"
- 7) There is an important role for conservation. Whether through technology that allows our products to burn energy more efficiently to an effort to get Americans to be more careful when and how they use energy, we do want conservation to play a role in our energy future. Any policy without conservation will fail the public opinion test.
- 8) We need to say yes to a comprehensive, common sense energy policy for the 21st Century. It's time to hold accountable those who stand in the way refuse to accept the energy needs and the energy opportunities facing America now and in the future.

OVERVIEW

It was a year of home heating fuel spikes, \$50 a barrel for oil, and gasoline approaching \$2.25 a gallon. It is not surprising that now, in 2005, over 70% of the American electorate believes the energy situation in this country is either in crisis or a significant problem. The prospect of somehow, someday reducing America's dependence on foreign oil and developing/diversifying America's own energy sources are top priorities among Republicans and Democrats alike. You read that correctly. For the first time in recent memory, energy has become a bipartisan issue.

AMERICANS TALK ENERGY

What Americans want more than anything else is less dependence on foreign oil. They know we can never be fully energy self-sufficient, but they want more energy developed right here in America because, in their own words, dependence on foreign oil threatens both our national and economic security.

But while Republicans owned the issue a year ago, that advantage has slipped away. John Kerry's repeated public focus on the importance of reducing American dependence on Middle Eastern oil and his famous comment that "*we should rely on American ingenuity and not the Saudi Royal Family,*" at the Democrat convention struck a raw nerve in the American psyche. Americans forgot that it was the Republicans who offered a comprehensive, long-term strategy and that it was the Democrats who kept saying no, no, no.

You need to retake this issue now before the next spike at the pump and before the next surge in our home heating bills. There are four principles that matter most: energy self-sufficiency/independence, national security, new technology/innovation, and a balanced approach that will take America well into the 21st Century.

- 1) **Make it about Energy Self-Sufficiency and Independence.** The energy debate is ripe for partisan picking and the Democrats were smart to use it during their convention. Americans want to hear about *solutions* to foreign energy dependency and are desperate for *big ideas* and *bold solutions*. Energy policy is now a public priority and Democrats put themselves on the side of the future. Americans loathe the idea of being reliant on the Middle East for our energy needs – and they were waiting for someone to tell them so. This was John Kerry's single best line at the convention, and it continues to resonate even today:

DEMOCRAT WORDS THAT WORK

I want an America that relies on its own ingenuity and innovation - not the Saudi royal family. Our energy plan for a stronger America will invest in new technologies and alternative fuels and the cars of the future -- so that no young American in uniform will ever be held hostage to our dependence on oil from the Middle East.

Americans are evenly and bitterly divided about an assortment of political issues, but nearly all of them agree that *our nation's current energy policy is behind-the-times and needs a new, 21st Century approach*. Right now, the Democrats are exhibiting perfect pitch when it comes to their energy message. They understand that if you play on American fears towards OPEC, Saudi Arabia and the Middle East, while also appealing to American ideals of invention and innovation, they will have a compelling message. But fortunately for Republicans, the Democratic message does not match their policy. If the GOP wants to gain the advantage you need to match the optimism of the Democrats message – and that begins with a clear statement that the status quo is unacceptable.

- 2) **Current energy policy threatens national security.** Americans believe that our current energy policy is the culprit not only for skyrocketing gas prices and increased pollution but also for our entanglement in the Middle East and therefore endangering national security. That's why they want a NEW direction. There are two phrases that need to be specifically articulated if you want the energy issue back: *energy independence* and *energy self-sufficiency*. And be sure to tap into feelings of American exceptionalism and ingenuity to seal the deal with the swing voters:

GOP WORDS THAT WORK

We have the best scientists, the best engineers and the best technicians in the world. It's time to put them to work to develop a 21st century energy program that leads America toward energy independence and self-sufficiency. If we can send a man to the moon, we can develop alternative sources of fuel right here on earth, and stop our dependence on Saudi oil.

Americans HATE our dependence on foreign and Middle Eastern oil, and they will respond favorably to anyone who offers an alternative:

THE DEMOCRAT ATTACK

No young American in uniform should ever be held hostage to America's dependence on oil in the Middle East. We're going to liberate ourselves. We're going to make ourselves more energy independent.

WORDS THAT WORK

American dependence on foreign oil threatens our national security. When more than half of our energy needs comes from foreign sources, particularly OPEC, that alone is a security risk. OPEC has already slowed down production and tried to gouge us on prices. What happens if they decide to limit sales further? We have barely 45 days worth of oil in our Strategic Petroleum Reserve. Imagine what would happen if that reserve runs out?

- 3) The key to energy independence is A BALANCED APPROACH. If you neglect to discuss the importance of conservation, you will appear anti-environment. Your challenge is to make the case that energy exploration and the environment *can* co-exist. In fact, *they can thrive*. The Democrats will try to bury your energy solutions by focusing on whatever is the most controversial element of your program. That's why you must stress again and again that you support a "*truly comprehensive energy solution*," from energy exploration and diversifying resources to research and conservation.

CHENEY WORDS THAT WORK

"We're still subject to the international marketplace because we import over half of the oil that we use in this country. And we badly need to develop more resources. We need to invest in new technologies. We need to look for ways to take advantage of the research that's been done and take advantage of our basic energy resources that we've got here at home."

EVEN BETTER ENERGY LANGUAGE

Our energy problems are largely the result of shortsighted domestic policies. The problem has been years in the making, and it will take years to solve. We are committed to the dependable, affordable and environmentally clean production of energy for America's future. We are committed to an energy policy that enhances national security. I know we can do it.

ANWR: A SOLUTION TO AMERICAN ENERGY DEPENDENCE

Any discussion of energy must begin with the core principle that *when it comes to oil, gas and electricity, America must not depend on any foreign nation*. That is the single strongest argument you have for exploration in ANWR. Especially now, given the turmoil in the Middle East, the importance of American energy independence is clearer than ever.

GETTING TO ANWR

The Principle: Making America more energy independent

The Problem: America's dependence on foreign oil

The Actions: 1) Discover new, American sources of energy
2) Ensure a diversity of energy sources

The Answer: Exploring and developing a tiny fraction of ANWR

Getting to ANWR as a "*solution*" is the road best traveled. However, a word to the wise before we (metaphorically) drill too deeply: you should not present this as a silver bullet to American energy issues. It should instead be presented as but one component of a comprehensive energy policy that will address Americans' desire for dependency, diversity and ultimate energy independence. Discuss the *entire* policy, from energy exploration and diversifying resources to research and conservation measures. Americans will look more favorably upon ANWR exploration if they know that you have this balanced (and affordable) approach.

For in the end, the challenge is *dependency* and ANWR represents *security*.

Let's start with debunking the myths surrounding ANWR:

- * Hardly anyone – an incredible 87% of Americans -- knows what the letters ANWR stand for;
- * 73% don't even know what state it's in; and
- * Just over 50% of Americans admit they know absolutely *nothing at all* about it.

There is a perception in Washington that Americans are ready to rise up and take to the streets to oppose energy exploration. But the *intensity* of opposition by the environmental special interest groups does not represent the *breadth* of public opposition. Like much of Washington, the perception of a potential uprising is a myth. Rather than having to overcome negative perceptions or preconceived notions, you have the opportunity to define this issue and shape those perceptions.

In the years prior to 9/11, true support for exploration in ANWR hovered around the 40% level. Today, support stands above a majority (53%) nationally before a discussion of the topic, and a remarkable 67% of Americans support exploration and development of ANWR after hearing the pros and cons.

Even more remarkable is the percentage of opposition support which stands – *after the pro and con education effort*: only 20% *strongly oppose* ANWR development (31% overall). We provided positive and negative information and facts that both sides are using, and after weighing the pros and cons, Americans move sharply in favor of oil exploration in ANWR the more they learn.

Your job is to educate the public on this issue. With facts comes increased support for ANWR exploration. Here's what you need to know:

- 1) **It is all about REDUCING OUR DEPENDENCE ON OPEC, MIDDLE EASTERN AND FOREIGN OIL.** Americans loathe the idea of being **DEPENDENT** (use this word as opposed to “relying”) on another country – any country. This is especially true when they find out just how much we depend on foreign countries for our energy needs. The fact is, most Americans don't know exactly where we get the majority of our oil and how much we need to purchase every day. This one fact alone turns people in favor of ANWR exploration.

And when you talk about foreign dependency, “*the OPEC oil cartel*” evokes the most distain from Americans, followed by “*Middle Eastern oil producers*” and finally “*foreign oil producers*” for that matter. OPEC is viewed as an enemy – and with \$40 or \$50 dollars a barrel for oil, can you blame Americans for their anger and frustration? And if dependency is the problem and national security the threat, ANWR is increasingly viewed as the solution.

Reducing our dependence on foreign oil is about more than just cost or national pride. A full 69% of Americans are more angered by the fact that America is so dependent on foreign oil than the actual cost of gasoline at the pump. The dependence factor is seen as a direct threat to our *national security*. **ALWAYS stress the importance of national security and link it to our dependence on foreign oil.** This is a simple three-step fact-based process:

- (1) America imports more than 55 percent of the oil we consume;
- (2) This dependence on foreign oil threatens our national security;
- (3) This dependence on foreign oil threatens our economy.

These facts aren't news to most of Washington but it is a real shock to most Americans. ***Once they are made aware of this dependence, their perspective changes completely.*** The threat to national security over the lack of American oil independence is one of the best arguments to influence those who are initially skeptical or opposed to greater domestic oil production.

WORDS THAT WORK

Reducing our dependence on foreign oil must be a top priority for the President and Congress.

America needs *American* oil. We need to develop our energy sources right here in America and not depend on foreign and Middle Eastern oil for our economic security.

Oil from ANWR would reduce American dependence on OPEC and Middle Eastern oil. ANWR represents a secure American supply of oil that could help reduce U.S. demand for foreign oil for 25 years or more.

EVEN MORE WORDS THAT WORK

It's pretty obvious that the area in the world that we most heavily rely on today for our oil supply is a very unstable part of the world. Iraq, Saudi Arabia, all of the Middle Eastern countries where the majority of the oil that comes to the United States is produced, is the part of the world where all of the major acts of violence are taking place today.

It's a part of the world where there are a lot of people who don't like Americans. At the drop of a hat we could see a change in policy in the Middle East directed towards America from the standpoint of supplying us with the oil that we need to grow the economy of this country, to heat the homes of this country, and to allow our individuals to have the quality of life that they do in America.

- 2) Talk about the reality of BALANCE between Responsible Energy Exploration and Minimal Impact on the Environment. While Americans definitely care passionately about the environment, they absolutely agree that we need to strike a balance between our environmental goals and our goal of less dependence on foreign oil. They also believe that the two are not mutually exclusive:

“We can have both greater energy independence AND a healthy environment.”

Two-thirds (67%) of Americans believe that, “*by using 21st century technology and advanced engineering that already exists, ANWR can be developed and the environment protected.*” So explain how energy exploration and the environment can co-exist and THRIVE. The environmental rhetoric on the impact of oil drilling is initially compelling, but our testing shows that it does not withstand scrutiny. Enumerate and tick off the two best examples and evidence:

- 1) The North Slope's petroleum industry is the cleanest, most technologically advanced and most heavily regulated in the world. Facilities are designed for minimal environmental impact.
- 2) The experience at Prudhoe Bay has proven that oil drilling does not harm wildlife. In fact, the Central Arctic caribou herd at Prudhoe Bay has grown from 3,000 to 25,000 during the past 20 years, while oil has been produced in the area.

WORDS THAT WORK

If we're going to have a vibrant economy here at home, we need to protect our interests overseas. We need to move away from oil dependence and not have to ask Russia or Saudi Arabia "how much are you charging for a barrel of oil?"

As Americans, we should be able to set the standard for the environment through conservation, domestic exploration and environmentally friendly ways of doing things. Let's ask ourselves what we're willing to pay for energy. We can do that if we combine all those things – conservation, domestic exploration and an environmentally friendly approach – and get to a place where every American feels comfortable.

- 3) **Tell audiences what the part of ANWR in question REALLY looks like.** Those opposed to ANWR exploration will claim that the Alaskan coastal plain is unspoiled beautiful wilderness, the last remaining Arctic ecosystem, and even the "Serengeti of the North." While eight million acres of ANWR are indeed beautiful and pristine, this land is already designated as wilderness. And more than nine million more acres are classified as a National Wildlife Refuge. No one can touch that land, ever. However, when the public learns that the area being considered for oil development is no Serengeti, opinions begin to change. So tell them. They can't see the pictures ...so paint them with words:
 - 1) It is a frozen, barren land for nine months of the year;
 - 2) The sun doesn't shine AT ALL for eight weeks; and
 - 3) Wind chills during the winter can drop to minus 110 degrees.

When they understand the truth, the opposition to oil exploration just peels away. And if you are smart enough to carry pictures of the frozen, flat, non-pristine plain to illustrate your point, it's game, set and match.

- 4) **Technology drives both Exploration AND Environmental Protection.** Americans have tremendous faith in technology. In fact, one of the most important concepts today is INNOVATION and what it means to the American economy and day-to-day American life. We have full faith and confidence that *innovation and 21st Century technology* can solve almost any problem. In fact, 71% of Americans share the opinion that “*21st century technology and advanced engineering now exist that allows us to explore for oil and natural gas with minimal impact on the surrounding environment.*” “**Thanks to advanced technology, responsible development and environmental protection can co-exist.**

It is essential that you make your audiences aware of the incredible developments in energy exploration technology which will result in very minimal impact on the environment. The average American has no idea about the latest truly incredible technological developments. It is therefore crucial that you make the public aware of these advances.

WORDS THAT WORK

Exploration and development in the coastal plain of ANWR would take place in the frozen winter.

Using modern techniques, only a very small area will actually be impacted by the development. For example, we now have 3-D seismic technology to locate the oil quickly and effectively. Thanks to innovative engineering, we now have directional drilling capabilities that allow you to drill horizontally, deep below the surface for miles to recover the oil – without any impact whatsoever to the surface above.

And if there is no oil, the equipment would be dismantled and when the thaw came, there would be one small cap to show that any disturbance ever took place. The tundra would remain untouched. Like ice fishing on a frozen lake, the icehouse structure would not damage the water below.

In similar areas where successful oil exploration has occurred, caribou herds have remained healthy and have actually increased four-fold in number.

- 5) **America does it better than anywhere else.** It is important to emphasize to your audience that, while we have the highest environmental standards and technology in the world, other nations have few laws and little environmental oversight. The majority of Americans who are concerned with our environment have never truly considered the environmental impact of the oil that is drilled and imported from overseas.

So ask them: *“Who do you think cares more about the environment? When it comes to energy production, who do you think is more likely to act responsibly and prudently?”*

Then tell them, *“If you are truly concerned about the impact on nature, then what is done in Siberia is just as important as Alaska – and America is leading the world in the science, technology and engineering of energy exploration.”*

WORDS THAT WORK

We must always keep in mind that we have the highest environmental standards and the most advanced technology in the world. Our nation’s strict federal and state laws ensure that the environment is protected.

However, the same cannot be said for other nations. All too often, their technology is inferior and there is little or no environmental oversight.

Depending on our own energy resources will always be smarter, safer and cleaner than importing oil from nations with much lower standards.

Once again, a picture is worth a thousand words. After viewing before and after photos of explored areas, people are pleasantly surprised by the minimal impact – one small pipe sticking out from the surface – that is possible with today’s technology. Whenever you can, bring photos to illustrate these advancements in technology.

- 6) **Size matters.** It is important for audiences to know just how small the actually developmental area truly is and how more than 99.8% of ANWR will never be touched:
- When they find out that the area in question is the size of a typical farm or New York’s Central Park, they realize that this is not a major disruption of the area.
 - And if you tell them that if ANWR were the size of a basketball court and the area to developed is the equivalent of *the size of five one-dollar bills on a basketball court,*” you remove another public concern.
 - **But the best analogy: if ANWR was the New York Times, the area in question is the size of a single letter on the page.**

- 7) **Expanding American sources of energy expands the American economy.** When it comes to oil, economic considerations are a significant factor for many Americans. In fact, 63% of Americans are more likely to support ANWR development when they learn that it would create hundreds of thousands of jobs affecting virtually every state. But it's not only about the new jobs. Fully 62% believe oil from ANWR will help reduce the long-term U.S. trade deficit, reduce the federal deficit, and strengthen the value of the dollar. *"Higher oil prices hurt everyone. Lower oil prices help everyone."*
- 8) **Alaskans Should Decide for Themselves.** Exploration and development of ANWR has the support of Alaskans and their leaders – and Americans have always sided with local control and location decisions over federal mandates. Fully two-out of three Americans (67%) are more supportive of ANWR development when learning that the vast majority of Alaskans support ANWR development. It's just that simple – and should be expressed plainly. If Alaskans, who will have to live with the consequences every single day, support ANWR exploration, who are we to say no?

WORDS THAT WORK

It should be up to the people who actually live in a particular community, the people who must breathe the air and drink the water, to decide whether or not to accept energy exploration in their communities. Washington should not control the environmental and energy policies for Alaska. We are talking about their community, their homes and their families.

The fact is, more than 75 percent of Alaskans favor exploration and production in ANWR. And the Inupiat Eskimos, who live in and near ANWR, strongly support onshore oil development on the coastal plain.

On the coastal plain, the area we're talking about exploring, there's a group of 270 natives that still live there. They've got to be the toughest people in the world to survive in that kind of environment. And unlike some of us who talk about the environment and say we like it because the view's great or we like clean air or clean water, their lives literally depend on it. They hunt the animals, the caribou and they spear fish in the Arctic Ocean. That's how they survive. It is truly environmental dependency.

We asked them what we should do about ANWR. And their two-word answer was: drill it. Why? Because they know it's safe. They know that the technology is there today to do it safely and not damage the environment.

- 9) **The Words of Experts Yield Authority.** Partisan rhetoric has run its course. Fully 84% will listen to the advice of experts – scientists, engineers and professionals – when weighing a decision on environmental concerns, and specifically ANWR. Experts, not politicians, provide the necessary credibility.

WORDS THAT WORK

We should trust the experts, not the politicians. If the scientists, engineers and professional experts, who have spent their lives studying energy and environmental issues, conclude that oil exploration will not have any impact whatsoever on the surrounding environment, that should carry more weight than the politicians who would rather play politics than find a long-term solution.

ANWR ARGUMENTS THAT WORK

(Arguments that make people "more likely" to support exploring for oil in ANWR.)

- 67%** Most Eskimos who live in the area have expressed their support for development because of the jobs and economic benefits they would receive, as have the people of Alaska.
- 67%** By using 21st century technology and advanced engineering that already exists, ANWR can be developed and the environment protected.
- 65%** ANWR represents a secure American supply of oil that could help reduce U.S. demand for foreign oil for 25 years or more.
- 64%** We currently import more than half our oil from OPEC and other foreign sources. Oil from ANWR would reduce American dependence on OPEC and Middle Eastern oil.
- 63%** ANWR has been determined by experts to be the single largest and most promising area of unexplored oil reserves in North America.
- 63%** ANWR development would create hundreds of thousands of American jobs affecting virtually every state.
- 63%** In similar areas where oil exploration has occurred, caribou herds have remained healthy and have actually increased four-fold in number.

**ANWR STATEMENTS THAT AMERICANS
ALREADY AGREE WITH...**

- 84%** We should trust the experts, not the politicians. If the scientists, engineers and professional experts conclude that oil exploration will not have any impact on the environment, that should carry more weight than the politicians who would rather play politics than find a long-term solution.
- 84%** America needs American oil. We need to develop our energy resources right here in America and not depend on foreign and Middle Eastern oil for our economic security.
- 82%** Reducing our dependence on foreign oil must be a top priority for the President and Congress.
- 71%** 21st Century Technology and advanced engineering now exists that allows us to explore for oil and natural gas with minimal impact on the surrounding environment.

ANWR: SECURING AMERICA'S ENERGY FUTURE

(a 15-minute speech that America wants to hear)

Have you checked your electricity bill lately? Sticker shock doesn't begin to describe what has happened to electricity prices. Remember how high gasoline prices were just a few months ago? Can we afford to have those high prices return?

SkYROCKETING prices. Rolling blackouts. It didn't have to happen. We could have planned for the future. We could have been better prepared. Let me be as blunt and candid as I can. We should have done more. We didn't, and now we're all paying – at the pump and at the light switch.

Demand for energy in the United States is outstripping supply, and will continue to grow as our 21st century high-tech economy expands. Higher energy costs are squeezing family budgets, undermining farms and small businesses, jeopardizing jobs, and threatening the long-term health of our economy.

It's time we face facts: we have an energy crisis in America. Sure, we aren't suffering through gas shortages or having difficulty keeping our houses warm – this crisis is far more subtle, but it just as harmful. And we need answers. Environmentalists will tell you we can conserve our way out...we can't. The oil companies will tell you we can drill our way out...we can't do that either. Both of these solutions are too one-sided and too often the only things we talk about in this town. It's time to bring some balance and some measured common-sense to our nation's great energy debate.

It's time we balance energy conservation efforts with moves to produce more energy in this country in a safe and environmentally friendly manner.

But while there may be a shortage of energy, there is no shortage of hot air when it comes to real action. There are a lot of loud voices, a lot of shouting and finger pointing about what to do, but no one has come forward with a truly comprehensive plan that will address our energy needs not just for the next 10 months but for the next 10 years.

But before I offer a solution, and there is one, let me just offer you a few key facts:

Fact. As a nation, we have become too dependent on foreign oil. Currently, 60 percent of the oil consumed in the United States is imported from foreign sources. American families and industry are held hostage to OPEC to meet their energy needs. This is a national security nightmare waiting to happen. OPEC has already slowed down production and tried to gouge us on prices. What happens if they decide to limit sales further? We have barely 45 days worth of oil in our Strategic Petroleum Reserve. Imagine what would happen if that reserve runs out.

(page two)

We need less dependence on foreign fuel and more attention to developing our own secure, domestic energy supply. We need more American oil, more American gas, and more use of American clean-coal technology. This is the only way to guarantee an uninterrupted supply of energy when we need it.

Fact: Electric demand alone has risen by 25 percent in the past eight years, while power generation has increased a scant six percent. We have an economy that needs the electricity to power up the computers, the electronics, the things that make our day-to-day life easier and better, but we're not producing it.

Fact. Outdated rules have made oil exploration nearly impossible, and no major power plants have been built for a decade. I am absolutely committed to a clean, safe, healthy environment, and I will take a back seat to no one when it comes to promoting common sense environmental protections. But we have gone much too far in our regulations and we have begun to hurt the people we should be helping.

Fact. Technology now exists that allows us to explore for oil with absolutely no impact on the surrounding environment. What was inconceivable 20 years ago is commonplace today. We can dig in areas so safely and cleanly that surrounding communities won't even know there's a well in their neighborhood.

Fact. Unless we change current energy policies and practices, the problem will actually get worse. We will be paying more and more and getting less and less. We can't let the finger pointing distract us from what common sense tells us we need to do now.

But skyrocketing prices are not the only crises we face. American dependence on foreign oil threatens our national security. When more than half of our energy comes from foreign sources, particularly OPEC, that alone is a security risk. What happens if they decide to limit sales? We have barely 45 days worth of oil in our Strategic Petroleum Reserve. Imagine what would happen if that reserve runs out? Shouldn't we be better prepared?

This brings me to the issue of ANWR and the exploration for oil in Alaska. Environmental lobbyists claim that oil drilling in the ANWR will damage this beautiful, pristine land. Let me give you the facts.

Fact. Ninety-eight percent of the area is either designated as "wilderness" or classified as a "National Wildlife Refuge." Nothing will be touched in that 98 percent. In the remaining two percent, where the oil is, the Arctic winter lasts for nine months, and they don't see the sun at all for eight weeks. That's right. Total darkness, 24-hours a day, for eight weeks. Windchills can reach minus 110 degrees. There are no majestic mountains or sweeping panoramas. It is nothing but ice and darkness.

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Should exploration and development ever take place in the coastal plain of ANWR, it would take place in the frozen winter. If there is no oil, the equipment would be dismantled and when the thaw comes, there would be one small cap to show that any disturbance ever took place. The tundra would remain untouched. Like ice fishing on a frozen river, the icehouse structure would not damage the water below.

Using modern drilling techniques – such as 3-D seismic imaging to locate oil and directional drilling to recover the oil from one, central spot – means that only a very small area will actually be impacted by development

We should trust the experts, not the politicians. If the independent experts, who have spent their lives studying energy and environmental issues, conclude that oil exploration will not have any impact whatsoever on the surrounding environment, that should carry more weight than the politicians who would rather play politics than find a long-term solution.

And we should not only consider the potential benefit to our country, but to the Alaskan community as well. After all, it should be up to the people who actually live in a particular community, the people who must breathe the air and drink the water, to decide whether or not to accept energy exploration in their communities.

Consider that more than 75 percent of Alaskans favor exploration and production in ANWR. Or that the Inupiat Eskimos who live in and near ANWR strongly support onshore oil development on the coastal plain. And why not? The development of the oil reserves from ANWR could create as many as 736,000 new domestic U.S. jobs.

I am committed to the dependable, affordable and environmentally clean production of energy for America's future. I am committed to an energy policy that enhances national security. I know we can do it. We have the best scientists, the best engineers and the best technicians in the world. We will put them to work to develop a 21st century energy program that leads America toward energy self-sufficiency and is the envy of all other nations.

So let me lay out an energy plan that uses tomorrow's technology today and truly plans for the future. The principles of an energy solution are simple:

Because of short-term thinking and inaction, we need a national energy plan that is both comprehensive and long-term in outlook. There are no easy solutions or quick fixes.

Because we believe the priorities of more energy and a clean environment must co-exist, any plan must promote environmentally friendly, advanced technologies that increase energy supplies while also using energy more cleanly and efficiently.

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Because we believe the government should not dictate private behavior, any plan must respect the right of Americans to live the lifestyle of their choice and enhance both the individual's and community's quality of life.

A problem that took a decade of neglect to develop will take a decade to solve. We must begin today, but in acting quickly, we must also act prudently. In rushing to put a band-aid on this problem of high prices, I am unwilling to neglect our environment or undermine our national security.

So let us agree that we do not need a political quick fix. We need a long-term, balanced common sense solution that will work not just tomorrow but next year and a decade from now.

So let's start working on this right now. The principles of energy reform are easy to put into action:

First, we all need to work harder to conserve energy starting today. Americans are the first to pitch in to help their neighbors as we've seen so stunningly during the most recent tsunami. Even though our energy crisis is a man-made disaster, we should all show the same spirit now. When the temperatures heat up, ask yourself if you can do without air conditioning for an hour so that the elderly person down the street or your neighbor with the asthmatic child can use theirs. Besides, with prices where they are today, you will even save some money.

Second, we need to produce more home-grown oil and electricity right here in America, and we need to do it quickly. Our country grows the food that feeds the world. We write the software and manufacture the technology that fueled an information revolution across the globe. If we can do all this, surely we can produce our own oil and electricity.

And third, we don't have to weaken our environmental laws to get more plants built or oil drilled. There is a lot of unnecessary red tape in government that has nothing to do with environmental regulations. Let's streamline that process and get government out of the way of progress.

We've got a lot of work to do and a long road ahead. But there's no reason for us to put this off to another day. It's time for America to take its energy destiny back into its own hands. For too long we have outsourced our energy needs, effectively handing over our car keys and our wallets to unfriendly governments in the Middle East. It's a simple choice really...and it's something we should have done long ago.

America's energy depends on America's ingenuity.

NUCLEAR ENERGY: THE ENERGY SOURCE OF THE FUTURE... TODAY

Nuclear energy may be the largest source of emission-free electricity in the United States, it may be one of the most affordable sources, and it may be one of the most reliable. But the most important reason why Americans will support nuclear energy today is because *“it will contribute to energy independence.”*

As with all energy policy, discussions of nuclear energy should be set in the context of a post-9/11 world. But there is a broader context as well. Nuclear energy goes beyond today's short-term problems created by dependence on foreign oil *and represents part of a long-term solution for tomorrow.* The best argument for nuclear energy is built from the following communications ladder:

WHY NUCLEAR ENERGY

The context: Develop a comprehensive long-term solution for the future to make America more energy independent and energy efficient.

The action: Encourage diversity of energy sources, including emission-free sources of energy.

The reality: We cannot wait for the day when alternative sources of energy – like solar and wind – can meet our nation's energy demands. We need to focus on clean, reliable and sustainable sources that are available today.

A solution: Nuclear energy is a clean, reliable and sustainable source of energy that should be an important part of any comprehensive energy policy.

There are two important things to note.

- 1) Since diversity is critical to our energy policy, then no single source of energy represents the entire solution. Nuclear energy represents *“an important part”* of the solution but it is one component of a comprehensive energy policy. If you talk about it as the only solution, you will lose credibility with your audience.
- 2) You cannot talk about nuclear energy without discussing the safety and security of nuclear power and nuclear power plants. And you cannot credibly argue that nuclear plants are 100% safe and secure. Instead, you must talk about the fact that all energy sources have risks, and nuclear energy is no different. Highlight the industry's 25+ year track record of safety, the measures it has taken to secure its operations and, most importantly, the significant benefits of nuclear energy. *In that context, American's will agree that, even if you cannot eliminate the risks of nuclear energy, it is a risk worth taking.*

The good news about nuclear energy is that most Americans (56%) already support its expanded use as a way to increase the nation's energy supply. And when educated about the issue, *nearly two out of three Americans (65%) support nuclear energy while just 18% say they strongly oppose it.*

More importantly, Americans are now ready to consider building the next generation of nuclear power plants. Sixty-one percent (61%) of Americans say they support building new nuclear plants near the sites of existing plants. *And six in ten (60%) say they will support new plants at new locations.*

Set in the proper context, and within appropriate limits, nuclear energy is not only an acceptable component of our energy strategy, it is one that Americans want promoted.

Here are the key areas to focus on.

- 1) **Self-sufficiency begins with diversity and DIVERSITY BRINGS SECURITY.** We have already discussed how Americans feel about dependence on foreign oil – it is the foremost priority for our energy policy. And despite the differences between oil and nuclear energy and the needs they fulfill, *increasing energy independence remains the number one reason to support expanded use of nuclear energy.* It is more important than protecting the environment. It is more important than affordability. And it is more important than ensuring that supply meets demand.

If dependence on foreign oil is the problem, then energy diversity is the most important answer. By overwhelming majorities, Americans want America's energy policy to encourage new sources of energy and more options.

STATEMENTS THAT RESONATE

90% *We need an energy policy that promotes diversity of energy sources – including emissions-free sources like solar, wind and nuclear energy.*

88% *Our energy policy must include a broad mix of options – from clean coal and natural gas to nuclear energy and hydro-electric power.*

Diversity is compelling: fully 79% of Americans believe that *“diversity of supply means security of supply.”* And as we already know, security of supply equates to American energy independence. If we focus on more sources of energy – and more sources produced here at home – then we will reduce the need for foreign oil.

THE BEST DIVERSITY ARGUMENT

We don't want to be dependent upon foreign sources of oil and we don't want to be dependent on any ONE source of power either. We need to have a broad mix of options – from clean coal and natural gas to nuclear power and solar energy.

More diversity of supply means more protection for consumers against price fluctuations and supply disruptions caused by natural disasters and other major events. More diversity of supply means more competition to provide the most efficient energy possible. More competition in supply will lead to more investment in advanced energy technologies whose goal is to provide more energy at a lower cost with less pollution.

And more diversity of supply also means more SECURITY of supply. Because diversity of energy sources is the only way to guarantee an uninterrupted supply of energy where and when we need it – under any circumstance.

MORE WORDS THAT WORK

We're forcing ourselves to be either dependent on fossil fuels -- and when we say that it almost means foreign fossil fuel -- or to go back to living in caves. We shouldn't do either. We should be considering every reasonable source of energy that's out there, and when we talk about the era of non-traditional sources of energy, nuclear has to be in the equation.

- 2) Talk about the future. Americans are tired of an energy policy that looks like a patchwork quilt of half-measures and partial solutions. And they are tired of constantly hearing that there is an energy crisis in America. Though they may never be willing to give up their own SUV, they expect their elected representatives to stop focusing on short-term problems and start looking at long-term solutions. They want to hear their legislators talk about the future – about a comprehensive plan that address America's needs today and tomorrow.

WORDS THAT WORK

Nuclear power should be a major source of fuel in the future because it's reliable, it's clean, it's affordable, and because the technology is there. We especially should be taking advantage of those kinds of clean resources that are available and can provide us with the necessary energy to move forward.

WORDS THAT WORK

When we talk about energy in general, we have to talk about renewable fuels, because we are on the cusp of new technologies that are going to make renewable fuels much more affordable and environmentally friendly while ultimately creating all kinds of new jobs that we can't even imagine here in the United States.

We need an energy policy that allows us to continue to develop the energy sources that we have right now, but more importantly gives modest incentives for us to develop the technologies which will fuel this economy and the world's economy for the next hundred years

- 3) **Talk about the benefits of nuclear energy.** Despite significant support for nuclear energy, most Americans know little about it. Even those who live closest to nuclear plants generally know little about the use of nuclear energy in America. They may be able to name the closest plant, but few have a clear sense of the benefits of nuclear energy. These are the same people who are most afraid of the risks – real or perceived. A key part of every discussion about nuclear energy must be to educate Americans about the benefits.

There are four key benefits to nuclear energy that should be highlighted in every discussion:

- **Nuclear energy is clean and efficient.**
- **Nuclear energy is affordable.**
- **Nuclear energy is reliable.**
- **And nuclear energy is made right here at home.**

WORDS THAT WORK – CLEAN AND EFFICIENT

Nuclear energy is among the cleanest and most efficient sources of energy available today. Together with solar, wind and hydro-electric energy, it is one of only a few emission-free sources of energy. It produces no greenhouse gases or other emissions that harm our air.

What's more, advances in nuclear power technology are helping nuclear power plants to become EVEN MORE efficient at producing electricity as time goes on. In fact, since 1990, efficiency improvements at the nation's nuclear power plants have created the same amount of power as 26 additional power plants without a single new plant.

WORDS THAT WORK -- AFFORDABILITY

Producing electricity with nuclear power is extremely inexpensive compared to other sources of energy. In 2003, the average production cost for nuclear energy was less than two cents per kilowatt-hour, while it was five and a half cents for oil and closer to six cents for gas. That's double and triple the price of nuclear energy, respectively. Even coal-fired energy production, traditionally the cheapest source, is slightly more expensive than nuclear energy production. And, lower production costs mean lower prices for consumers.

WORDS THAT WORK -- RELIABILITY

We need fuels that are not at the mercy of events outside the country or the local weather. Consistent, sustainable and reliable sources of energy for our homes, for our businesses, and for our future. Because, when we flick the switch, we have a right to expect the light to go on.

Nuclear energy is one of the most reliable forms of energy available. And that's why nuclear power plants are already a key source of energy across the country.

Nuclear energy is so reliable that some states already rely on it for MOST of their energy needs. For example, Vermont gets 76 percent of their electricity from nuclear energy and New Hampshire and South Carolina both depend on it for more than half of theirs.

WORDS THAT WORK -- INDEPENDENCE

Nuclear energy can help us achieve independence from foreign oil, because we don't have to depend on Middle Eastern countries like Saudi Arabia, or organizations like OPEC, for the raw materials to generate nuclear power. With nuclear power, we can help to meet our energy needs for today, and for tomorrow, with energy created right here at home.

MORE WORDS THAT WORK

We can put more electricity in the homes and in the businesses of America from a nuclear source than we ever can from an oil-producing source or from a water power-producing or from a gas-producing source or a coal-producing source. It's cleaner than any of those, it's safer than any of those, and it will last longer than any of those. It's critically important that we debate this issue and that we allow the construction of additional nuclear plants for the future of our children and our grandchildren.

- 4) Address the safety and security issue for nuclear energy head on. Virtually all of the opposition to nuclear energy is based on fears about the safety and security of nuclear power plants, transportation of solidified nuclear waste, and the storage and disposal of that waste.

This cannot be overstated. While fifty-three percent (53%) of Americans feel that nuclear power plants are either "completely safe and secure" or "very safe and secure", an overwhelming 87% of those people support the expanded use of nuclear energy. At the same time, more than half (56%) of those who do not think nuclear power plants are completely or very safe oppose expansion.

Setting the appropriate context for nuclear energy as described above is important to making the case. *But addressing the safety and security issue head-on is the only way to truly drive increased support. You cannot ignore or attempt to dismiss these fears if you want to generate increased support for nuclear energy.* You must acknowledge that there are risks and educate the public about the steps the government and the industry have taken to address those risks.

Here is how to approach the issue:

TALKING ABOUT NUCLEAR ENERGY SAFETY AND SECURITY

Now, many people may agree that nuclear energy is efficient and affordable, but they worry about the risks of nuclear energy. The fact is, like every other source of energy, nuclear energy does have risks. And there is no way to ensure that there will never be an accident or a terrorist attack. But you can prepare for them. And you can build safeguards to help protect against them...or to contain them if they were to happen.

NUCLEAR ENERGY: SAFETY & SECURITY
(cont.)

That is why the industry and the federal government have created strict regulations to ensure the safety and security of our nuclear plants. Many of these safeguards existed before September 11th. Many more have been added since.

These steps and others help explain why there has never been an event at a nuclear power plant in the United States that has affected the health of Americans. Not even Three Mile Island in 1979.

We will never be able to eliminate all of the risks of nuclear power. But when you think about the record of safety for the industry over the past 25 years and the benefits of nuclear power, it is a risk worth taking.

- 5) Give specific examples of the safety and security measures in place. This is critical. It is one thing to say that steps are being taken and quite another to explain exactly what those steps are. Opponents of nuclear power will cite their own examples of safety and security problems, so you must be armed with data that supports your argument. Here are the three best examples of nuclear industry safety and security.

**THREE EXAMPLES OF
WHY PLANTS ARE SAFE AND SECURE**

First, strict government regulations require that redundant monitoring and failsafe measures are installed to automatically shut down a reactor if anything out of the ordinary is detected.

Second, according to a study by E.P.R.I., an independent, highly respected, Palo Alto, California research institute, the containment structures required of nuclear power plants are strong enough to protect the public even if a nuclear plant was hit by a Boeing 767 at the maximum plausible speed and at the most vulnerable spot.

And third, for every one ton of solidified nuclear waste that is transported from a nuclear plant, there are four tons of protective shielding made from multiple layers of steel, lead and other materials surrounding the fuel so the containers could withstand even a severe accident.

In addition:

- Talk about the *secure*-- not solid, strong or robust -- nuclear facility building structure;
- Mention the *strict regulations* -- not protocols or rules -- governing nuclear power plants; and
- Emphasize *safe and secure energy* when addressing America's need for energy independence.

- 6) **We can't afford to wait for wind and solar.** Nuclear energy is not considered the cleanest energy source available -- solar and wind are. Nor is it considered the most reliable or affordable -- hydro-electric is. But what nuclear has that these power sources lack is the ability to help us meet the energy problems of today and in the future. Everyone likely believes that someday, we will be able to cheaply power our homes and businesses with any one of these other alternative sources. But we cannot do it today. You must highlight this fact. It makes nuclear stand out as the only emission-free, efficient, affordable and reliable source of energy that is available TODAY.

Americans overwhelmingly understand this. *In fact 89% of Americans agree with the following statement:*

WORDS THAT WORK

We cannot keep our fingers crossed and wait for the day when solar and wind power are able to meet our nation's energy demands. We need to focus on clean, reliable and sustainable sources of energy that can help us right now - today.

APPENDIX: THE 14 WORDS NEVER TO USE

Sometimes it is not what you say that matters but what you *don't* say. Other times a single word or phrase can undermine or destroy the credibility of a paragraph or entire presentation. This memo was originally prepared exclusively for Congressional spouses because they are your eyes and ears, a one-person reality check and truth squad combined. However, by popular demand, I have included and *expanded* that document because effectively communicating the New American Lexicon requires you to STOP saying words and phrases that undermine your ability to educate the American people.

So from today forward, *YOU* are the language police. From today forward, these are the words never to say again.

NEVER SAY:

INSTEAD SAY:

1. Government

Washington

The fact is, most Americans appreciate their *local* government that picks up their trash, cleans their streets, and provides police and transportation services. *Washington is the problem.* Remind voters again and again about *Washington* spending, *Washington* waste, *Washington* taxation, *Washington* bureaucracy, *Washington* rules and *Washington* regulations. Then remind voters that if Washington created this mess, it is Washington's responsibility to fix it. "*If we expect to succeed, we must look to ourselves and not to Washington to raise our kids, start our businesses and improve our day-to-day lives.*" If you must talk about government, use the context defined by President Bush: "*Government should help people improve their lives, not try to run their lives.*"

NEVER SAY:

INSTEAD SAY:

2. Privatization/Private Accounts

Personalization/Personal Accounts

Many more Americans would "*personalize*" Social Security than "*privatize*" it. In fact, two-thirds of America want to personalize Social Security while only one-third would privatize it. Why? Personalizing Social Security suggests *ownership* and *control* over your retirement savings, while privatizing it suggests a profit motive and winners and losers. **BANISH PRIVATIZATION FROM YOUR LEXICON.**

NEVER SAY:

INSTEAD SAY:

3. Tax Reform

Tax Simplification

While a majority of Americans are generally in favor of tax reform, one-third of the population fears that they would end up paying *more* in taxes if the tax code was in fact reformed. However, almost all Americans believe they would personally benefit from a tax code that was simplified – in terms of money they owe, time they spend and anxiety about the IRS. When more Americans fear the IRS than root-canal surgery, something should be done to simplify the tax code.

NEVER SAY:

INSTEAD SAY:

4. Inheritance/Estate Tax

The Death Tax

While a sizeable 68% of America thinks the Inheritance/Estate Tax is unfair, *fully 78% think that the Death Tax is unfair.* And while a narrow majority would repeal the inheritance/estate tax, an overwhelming majority would repeal the death tax. If you want to kill the estate tax, call it a death tax.

NEVER SAY:

INSTEAD SAY:

5. A Global Economy/Globalization/Capitalism *Free Market Economy*

More Americans are afraid of the principle of globalization than even privatization. The reason? Globalization represents something big, something distant and something foreign. It's the same reason why Americans like their local government but dislike Washington – the closer you are, the more control you have. So instead of talking about the principles of globalization, instead emphasize *"the value and benefits of a free market economy."* Similarly, capitalism reminds people of harsh economic competition that yields losers as well as winners. Conversely, the free market economy provides opportunity to all and allows everyone to succeed.

NEVER SAY:

INSTEAD SAY:

6. Outsourcing

*Taxation, Regulation, Litigation,
Innovation, Education*

When you use the words of your opposition, you are basically accepting their definition and therefore their conclusion. We should NEVER use the word outsourcing because we will then be asked to defend or end the practice of allowing companies to ship American jobs overseas. Rather, we should talk about the *"root cause"* why any company would not want to hire *"the best workers in the world."* And the answer: *"over-taxation, over-regulation, too much litigation, and not enough innovation or quality education."* Because it rhymes, it will be remembered.

NEVER SAY:

INSTEAD SAY:

7. Undocumented Workers

Illegal Aliens

The Dems have adopted the phrase "*undocumented worker*" but you shouldn't. Call them exactly what they are. In fact, instead of addressing "*immigration reform*," which polarizes Americans, you should be talking about "*border security*" issues. Securing our borders and our people has universal support.

NEVER SAY:

INSTEAD SAY:

8. Foreign Trade

International Trade

For many reasons unrelated to this issue, the word "*foreign*" conjures up negative images. Americans simply don't like "*foreign oil*," or "*foreign products*" or "*foreign nationals*." *International* is a more positive concept than either foreign or global.

NEVER SAY:

INSTEAD SAY:

9. Drilling for oil

Exploring for energy

It's the picture people paint in their minds, the difference between an old-fashioned oilrig that gushes up black goop vs. 21st Century technology and innovation that provides us the ability to heat our homes and drive our cars. When you talk about energy, use words like "*responsible*" and "*balanced*" and always address your concern for the environment.

NEVER SAY:

INSTEAD SAY:

10. Tort Reform

Lawsuit Abuse Reform

The term "*tort*" has very little meaning to the average American, and at best reminds one of a French pastry. "*Lawsuit Abuse*" is something most Americans understand and resent. If you really want to make your case, add the word "*frivolous*."

NEVER SAY:

INSTEAD SAY:

11. Trial Lawyer

Personal Injury Lawyer

It is hard to distrust a trial lawyer because we see them portrayed so favorably on L.A. Law and Law & Order. But personal injury lawyers, also known as ambulance chasers, remind people of those annoying, harassing commercials we see at 1:00 am cajoling us to sue someone. If you want to get the full bang for the buck, call them "*predatory personal injury lawyers*."

NEVER SAY:

INSTEAD SAY:

12. Corporate Transparency

Corporate Accountability

I constantly hear the need for “*transparency*” coming from members of the financial services industry as well as Members of Congress. But if you asked the American people, corporate accountability is a much higher priority. The fact is, a majority of Americans can’t even explain what transparency actually means. But everyone understands and demands accountability from all sectors of the economy ... and the government.

NEVER SAY:

INSTEAD SAY:

13. School Choice

Parental Choice/Equal Opportunity in Education

Americans are still evenly split over whether they support “*school choice*” in America’s schools. But they are heavily in favor of “giving parents the right to choose the schools that are right for their children,” and there is almost universal support for “*equal opportunity in education*.” So frame the issue right and you get the support you need.

NEVER SAY:

INSTEAD SAY:

14. Healthcare “Choice”

“The Right to Choose”

This is an important nuance so often lost on political officials. Almost all Americans want “*the right to choose the healthcare plan, hospital, doctor and prescription drug plan that is best for them,*” but far fewer Americans actually want to make that choice. In fact, the older you get, the less eager you are to have a wide range of choices. One reason why the prescription drug card earned only qualified public support was that it offered too many choices and therefore created too much confusion for too many senior citizens.