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Congress of the United States
House of Representatives

May 22, 2009

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The Honorable Barack H. Obama
The President
The White House
Washington DC 20500

Dear Mr. President:

I write today in the wake of news reports that Social Security and Medicare are hurtling toward bankruptcy even faster than earlier reports have predicted and that the U.S. triple-A bond rating may be in jeopardy.

I continue to be concerned about the enormous challenges the administration, the Congress, and most importantly the American people are facing during this time of economic turmoil and financial crisis.

Last week, the Social Security and Medicare trustees' annual reports continued to paint a bleak picture on the future of entitlements. Social Security will run deficits by 2016 and be out of money entirely in 2037. The Medicare Trust Fund is in even worse shape and expected to be depleted in 2017.

This week, on the heels of news that Standard & Poor's Investment Service lowered Britain's triple-A credit outlook from stable to negative, Bill Gross, the co-chief investment officer of Pacific Investment Management Co., predicted that the United States will face a similar downgrade in "at least three to four years." Standard & Poor's has previously projected that the U.S. could lose its triple-A bond rating as early as 2012.

Treasury Secretary Geithner responded that "it's very important that this Congress and this president put in place policies that will bring...deficits down to a sustainable lever over the medium term." Our nation's fiscal health will require extraordinary measures to revive and sustain it for the future of our children and grandchildren.

There is a proposal on the table now which can provide the life support for our country's financial future. This concept was discussed at the Fiscal Responsibility Summit your administration held in February. I also had outlined it in my letter to you last November even before you took office. Congressman Jim Cooper and I have House legislation to create a national bipartisan commission to review the totality of our nation's fiscal future – entitlement spending, other federal spending and tax policy.

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Senators Voinovich and Lieberman also have a bipartisan commission plan that would tackle Medicare, Medicaid, and Social Security. Their measure closely mirrors the Cooper-Wolf SAFE Commission legislation and both include military-base-closing type language to mandate a vote in Congress on the commission's findings.

This plan has been vetted across the political spectrum. The Brookings Institution supports it. So does the Heritage Foundation, the Concord Coalition, the Committee for a Responsible Federal Budget, AEI, and a host of others.

The Peter G. Peterson Foundation, headed by former U.S. comptroller general David Walker, recently released the results of a survey conducted by Peter Hart Research Associates and Public Opinion Strategies which looked specifically at public attitude toward America's fiscal policies. According to this survey, by a significant margin – 56 percent to 30 percent – registered voters prefer a bipartisan commission to the regular congressional process as the best means to begin tackling our growing budget deficit and national debt.

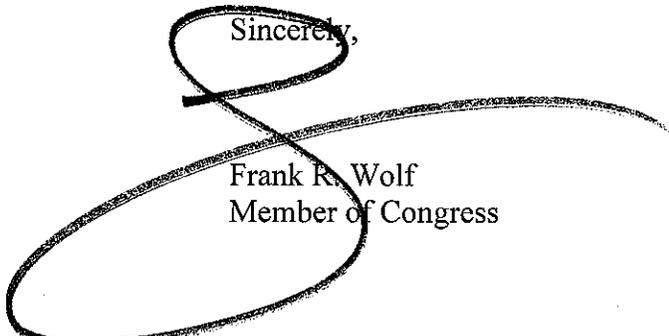
Adopting the bipartisan SAFE Commission process would renew the confidence of Americans in the economy and in the ability of their elected leaders to act. It would provide a brighter future for the next generation of Americans and ensure we have discretionary dollars for education, cutting edge technology and medical research, infrastructure, and other critical programs that Americans care so much about.

The SAFE Commission is a bipartisan idea that could make a difference. Your support of the commission concept would signal to Congress the urgency and necessity of coming together in a bipartisan way to ensure generation equity. The SAFE plan is the type of policy Secretary Geithner has called on Congress and your administration to embrace.

I welcome the opportunity to speak with you about the Cooper-Wolf SAFE plan.

Best wishes.

Sincerely,



Frank R. Wolf
Member of Congress

FRW:jp

cc: The Honorable Timothy Geithner, Treasury Secretary

**THE ADMINISTRATION WISHED TO
DEAL WITH THIS ISSUE.**