

**NOMINATIONS OF MILTON S. GWIRTZMAN, JAMES J.  
DILLMAN, ELIZABETH T. DUSKIN, DONALD S.  
MacNAUGHTON, AND DAVID RODGERS**

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**HEARINGS**  
**BEFORE THE**  
**COMMITTEE ON FINANCE**  
**UNITED STATES SENATE**  
**NINETY-SIXTH CONGRESS**

**FIRST SESSION**

**ON**

**THE NOMINATIONS OF**

**MILTON S. GWIRTZMAN (CHAIRMAN), JAMES J. DILLMAN,  
ELIZABETH T. DUSKIN, DONALD S. MacNAUGHTON, AND  
DAVID RODGERS TO BE MEMBERS OF THE NATIONAL COM-  
MISSION ON SOCIAL SECURITY**

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**JANUARY 29 AND SEPTEMBER 21, 1979**

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**NOMINATIONS OF MILTON S. GWIRTZMAN (CHAIRMAN), JAMES J. DILLMAN, ELIZABETH T. DUSKIN, DONALD S. MacNAUGHTON, AND DAVID RODGERS TO BE MEMBERS OF THE NATIONAL COMMISSION ON SOCIAL SECURITY**

**TUESDAY, JANUARY 29, 1979**

**U.S. SENATE,  
COMMITTEE ON FINANCE,  
Washington, D.C.**

The committee met, pursuant to notice, at 10:15 a.m. in room 2221, Dirksen Senate Office Building, Hon. Russell B. Long (chairman of the committee) presiding.

Present: Senators Long, Ribicoff, Byrd, Jr., of Virginia, Nelson, Bentsen, Matsunaga, Moynihan, Baucus, Boren, Bradley, Dole, Packwood, Roth, Jr., Danforth, Chafee, Heinz, Wallop, and Durenberger.

The CHAIRMAN. The committee will come to order.

Shall we now talk about the Commission on Social Security?

Mr. STERN. The National Commission on Social Security is a statutory commission established by the 1977 Social Security Amendments to look at the social security and medicare programs. It has nine members of whom five are to be appointed by the President with the advice and consent of the Senate.

Mr. Gwirtzman, who is sitting on my left, has been nominated to be Chairman of the Commission. I did not ask that the other Commission nominees be present to answer any questions that the committee may have.

The background material on the five members is in attachment D that is before you, entitled, "Nominations to National Commission on Social Security."

[Attachment D follows:]

**NOMINATIONS TO NATIONAL COMMISSION ON SOCIAL SECURITY**

(Prepared by the staff of the Committee on Finance)

The Social Security Amendments of 1977 (Public Law 95-216) provide for the creation of a temporary National Commission on Social Security. The Commission is charged with undertaking a comprehensive two-year study of the social security and medicare programs established by titles II and XVIII of the Social Security Act. An interim report is required in January 1980 (one year after a majority of the Commission was first appointed) and a final report is required by January 1981.

The law provides that the Commission shall consist of 9 members selected on a bipartisan basis. Two members are appointed by the Speaker of the House. (Former HEW Secretary Wilbur Cohen and former Social Security Chief Ac-

tuary Robert Myers have been appointed.) Two members are selected by the President pro tempore of the Senate. (One Senate appointee is Russell Laxson of Minnesota, the other appointment is yet to be made.) Five members (one of whom is to be chairman) are to be appointed by the President with the advice and consent of the Senate. The five Presidential nominations were received on January 18, 1979. (Four of the nominees were already given recess appointments to their positions during the recent adjournment. On this basis the Commission held its first meeting on January 19, 1979.) The Presidential nominees are: Milton S. Gwartzman of Massachusetts (Chairman), James J. Dillman of Wisconsin, Elizabeth Duskin of Maryland, D. S. MacNaughton of Tennessee, and David H. Rodgers of Washington. The résumés of the nominees are printed below.

#### MILTON S. GWIRTZMAN (CHAIRMAN)

##### *Education*

B.A. Harvard College 1954, summa cum laude. Phi Beta Kappa. Commencement orator; J.D. Yale Law School 1958; Editor, Yale Law Journal.

##### *Vocational experience*

1959-63: Legislative assistant to Senators Stuart Symington (Mo.) and Edward M. Kennedy (Mass.);

1963: Special issues advisor to President John Kennedy;

1964-69: Partner in the law firm of Dutton, Gwartzman, Zumas and Wise, Washington, D.C.;

1970-71: International business consultant, Paris, France;

1972 to present: Private practice of law;

Member of the District of Columbia bar.

##### *Teaching experience*

1975-76: Visiting lecturer in political science and fellow of Calhoun College, Yale University;

1977: Seminar on Congressional Power and the Public Interest, Institute of Politics, Harvard University;

Occasional lectures and seminars at Smith College, Boston University, Georgetown University, George Washington University and the New England College of Law;

1977: Seminar on Government Regulation of Business, Graduate School of Management, Boston College.

1978: Distinguished visiting professor of law, Boston College Law School.

##### *Other activities*

Articles on politics, economics, business affairs and media affairs in the New York Times Magazine, Readers Digest, Esquire, Washington Post, etc.;

Counsel, John F. Kennedy Library Corporation, 1964-79;

Member, Senior Advisory Board, Institute of Politics, JFK School of Government, Harvard University.

#### JAMES J. DILLMAN

##### *Education*

Graduated from Waldo (Wisconsin) High School in 1931 and from the Sheboygan County Teachers College in 1932;

Attended Mission House (now Lakeland College) from 1936 to 1938;

Received Bachelor of Arts degree from the University of Wisconsin in 1941;

Received Bachelor of Laws degree from the University of Wisconsin Law School in 1942.

##### *Professional experience*

Teacher in the Sheboygan County public school system (Banner School) from 1932 to 1936;

Engaged in the general practice of law from 1946 to present;

Former president of the Sheboygan County Bar Association and presently chairman of its legislative committee;

1960-70, 1975 to date: Wisconsin Retirement Fund Board, trustee representing the public;

1970 to date: Member Wisconsin Retirement Research Committee;

One of the founders of the Sheboygan Retirement Home, Inc., and director and vice president since establishment in 1960;

Formerly president of the Board of Trustees of the Sheboygan County Teachers College;

Former president of the Wisconsin Association of County College Boards;  
 Former member of the City of Sheboygan Board of Zoning Appeals;  
 Member of the Sheboygan Optimist Club since 1954 and have served as president of the club and lieutenant governor of the Wisconsin District of Optimist International;

Former chairman of the Associate Board of Lakeland College for eight years and received the Distinguished Service Award from the college;

Former president of the Sheboygan Human Rights Committee;

Former chairman of the Board of Trustees of St. Luke United Methodist Church and currently a member of its finance committee;

Former president of the Sheboygan County chapter of the National Foundation (March of Dimes);

Director of the Adel State Bank;

President of the First Charter Land Title Co., Inc.

#### *Military service*

Commissioned in the U.S. Navy as an ensign in September 1942, and discharged in January 1946, as a lieutenant.

### ELIZABETH T. DUSKIN

#### *Education*

University of Pennsylvania (Fine Arts);

B.A. University of Maryland (Economics);

M.A. University of Maryland (Economics);

Ph.D. Candidacy, University of Maryland (Economics).

#### *Experience*

Professional background includes experience in broad areas of social policy with particular emphasis on programs and policies affecting the U.S. income distribution. Particular expertise in social and private insurance policies in the U.S. and other Western industrialized nations, income conditioned programs such as AFDC, SSI, food stamps, and health related financing mechanisms such as Medicaid and Medicare. Familiar with labor market theory and policies, and public finance theory and practice at the federal, state and local levels.

Current: Director of Research for the National Council of Senior Citizens.

#### *Previous experience*

Economic Consultant, Federal Council on Aging;

Prior basic and applied research for public and private agencies includes areas of disability programs, Unemployment Compensation, Aid for Dependent Children, Benefit/Cost analysis of day care under AFDC, reexamination of poverty definition, federal allocation formulas, and labor market phenomenon;

Taught micro-economic and macro-economic theory at the undergraduate level.

### DONALD S. MCNAUGHTON

Chairman of the Board and Chief Executive Officer, Hospital Corporation of America, One Park Plaza, Nashville, Tenn.

#### *Career background*

Prudential Life Insurance Co.: Associate Counsel, 1935; Senior Vice President, 1961; Executive Vice President, 1965; President and Chief Executive Officer, 1969; Chairman and Chief Executive Officer, 1970;

From 1939 to 1942, taught history and coached basketball in Pulaski, N.Y.; practiced law in Pulaski from 1948 to 1954, when he joined the New York State Insurance Department as Deputy Superintendent.

#### *Education*

B.A. degree from Syracuse University in 1939 and law degree in 1948.

#### *Military service*

Enlisted in the Army Air Corps in 1942 and served throughout WWII in the South Pacific as a First Lieutenant.

#### *Professional, business, and civic activities*

Member of the Business Council; a Trustee of the Conference Board and on the Board of Overseers of the Wharton School; Director of the American Productivity Center, Exxon Corporation, the American Telephone and Telegraph Company, and Johnson & Johnson.

**Personal information**

Born July 14, 1917, in Schenectady, N.Y.

DAVID RODGERS

**Present position**

Chief Deputy Insurance Commissioner, State of Washington.

**Prior experience**

In 1967, elected Mayor of Spokane, Washington. Served three terms. Did not seek reelection in 1978. Term ended January 9, 1978 (part-time position).

Manager of Aetna Life Insurance Company's Spokane Office for employee benefits and pensions, 1949-1976.

**Education**

Bachelor of Science, Purdue University, 1947.

Honorary Doctor of Laws, Whitworth College.

**Other positions and memberships**

President, Board of Directors, Spokane YMCA ;

Member, Washington State Public Pension Commission ;

Member, Retirement Board, Non-Uniformed Employees, City of Spokane ;

Member of Board of Directors, Association of Washington Cities ;

Chairman, Association of Washington Cities Insurance Commission ;

Member of Board of Directors, National League of Cities.

Born in Indiana, attended public schools in Indiana and Massachusetts.

The CHAIRMAN. You have an impressive background, Mr. Gwartzman. Are there any questions, gentlemen ?

Senator WALLOP. If I may ask a question generally, I notice on here the law provides that the Commission shall consist of nine members selected on a bipartisan basis. I wonder if there is any way in which we can determine how bipartisan that is ? I find no indication in these biographies which would answer that question.

### STATEMENT OF MILTON S. GWIRTZMAN

Mr. GWIRTZMAN. At the present time there are eight members : four Republican and four Democrats.

Senator WALLOP. Is that information contained in these materials ?

Mr. GWIRTZMAN. You have five biographies of those five submitted by the President. Two are Republicans and three are Democrats. In addition, Mr. Robert Myers and Mr. Wilbur Cohen were appointed by the Speaker of the House. Mr. Cohen is a Democrat and Mr. Myers a Republican. Mr. Russell Laxson, of Minnesota, was appointed by the President pro tem of the Senate on the recommendation of Senator Baker, minority leader. Mr. Laxson is a Republican.

Senator DOLE. Does it bother anybody ? It does not bother me, but I notice one of the nominees, Elizabeth Duskin, helped form a coalition to attack the President's proposed benefit revisions. That would not cause anybody any problem, would it ?

Mr. GWIRTZMAN. I do not think that we can limit the private activities of these members. This is an advisory commission. Our report is not due for 2 years.

Senator DOLE. By that time, there will be a new President.

The CHAIRMAN. Is Bob Ball on that Commission now ?

Mr. GWIRTZMAN. He is on the advisory commission that is appointed by the Social Security Administration.

The CHAIRMAN. Are there any further questions, gentlemen ?

Senator DOLE. We are approving the five—right ?

The CHAIRMAN. All we are doing is asking questions right now.

Senator DOLE. I do not have any questions.

The CHAIRMAN. If there are no questions, then——

Senator MATSUNAGA. Am I correct in my understanding that the President has one more individual to nominate for membership on this Commission?

Mr. STERN. That is correct.

Senator MATSUNAGA. Are Members of Congress allowed on this Commission?

Mr. GWIRTZMAN. There are no full-time employees of the Federal Government. They are not allowed under the statute.

The CHAIRMAN. If there are no questions, Mr. Gwartzman, we will excuse you, sir.

Is James Dillman here?

Mr. STERN. Mr. Chairman, I had not asked the other nominees to appear before the committee today since they do not live in Washington and basically they just come in once a month. But if the committee would like, we could ask the others to come before the committee too.

The CHAIRMAN. That might not be necessary unless somebody wants to have them in.

Senator DOLE. Are there any questions of any of the others?

We have no questions of any of the others. I think Mr. Gwartzman has satisfied any questions.

The CHAIRMAN. We have a request here from Senator Sasser that we not act on the nomination of Mr. MacNaughton today. If it is all right with the committee, I would suggest that we respect that request, but I would think that we can go ahead and act on the rest of the nominations.

Senator MOYNIHAN. Mr. Chairman, if there is such a suggestion, would it not be useful to find out what Senator Sasser has in mind. Then we could deal with the whole group.

The CHAIRMAN. As far as I am concerned, it would be all right to postpone action on all the nominations.

Mr. GWIRTZMAN. May I say that that would not affect our ability to operate? We are on recess appointments.

The CHAIRMAN. It would not affect it?

Mr. GWIRTZMAN. Not at all.

The CHAIRMAN. If that is the case, Senator, we will just hold them over. If there is no objection, we would agree with Senator Moynihan's suggestion and hold these nominations over and find out what Senator Sasser's problem is.

That then takes care of that matter for the time being.

Do you have anything else on the agenda?

Mr. STERN. No, sir.

[Thereupon, the committee moved to the consideration of other business.]



**NOMINATIONS OF MILTON S. GWIRTZMAN (CHAIRMAN), JAMES J. DILLMAN, ELIZABETH T. DUSKIN, DONALD S. MacNAUGHTON, AND DAVID RODGERS TO BE MEMBERS OF THE NATIONAL COMMISSION ON SOCIAL SECURITY**

**FRIDAY, SEPTEMBER 21, 1979**

**U.S. SENATE,  
COMMITTEE ON FINANCE,  
Washington, D.C.**

The committee met, pursuant to notice, at 10:50 a.m. in room 2221, Dirksen Senate Office Building, Hon. Russell B. Long, chairman of the committee, presiding.

Present: Senators Long, Talmadge, Nelson, Bentsen, Matsunaga, Bradley, Packwood, Danforth, Chafee, and Durenberger.

The CHAIRMAN. The committee will come to order.

What is the first item of business on the agenda?

Mr. STERN. The first item, Mr. Chairman, concerns five nominations to the National Commission on Social Security. This is a Commission that was created by the Social Security Amendments of 1977 and it is to undertake a comprehensive study of the social security and medicare programs with a final report required by January 1981. The five members who are appointed by the President are subject to the advice and consent of the Senate.

The names of the five people are: Milton Gwartzman; James Dillman; Elizabeth Duskin; D. S. MacNaughton; and David Rodgers. Mr. Gwartzman, who is nominated to be Commission Chairman, is here, if you have any questions.

The CHAIRMAN. Is there any objection to reporting out these nominations?

Senator CHAFEE. Mr. Chairman, I take it that this is a very part-time thing. What do they get paid?

Mr. STERN. I believe they are paid the maximum per diem. I am told it is \$138 a day.

Senator CHAFEE. Could Mr. Gwartzman rise so I could see him?

I think that we confirmed Mr. Gwartzman earlier this year, did we not?

The CHAIRMAN. He was before us, but we did not order his nomination reported.

Senator CHAFEE. I have no objection. Thank you very much.

The CHAIRMAN. We are talking about the nominations of Mr. Gwartzman, Mr. Dillman, Ms. Duskin, Mr. MacNaughton, and Mr. Rodgers.

Those in favor, say aye.

[A chorus of ayes.]

The CHAIRMAN. Opposed, no.

[No response.]

The CHAIRMAN. The ayes have it. We will report those nominations.

