

Congressional Closeup by Carl Osgood

House Passes Budget Resolution

On March 25, the House narrowly passed, by a vote of 215 to 212, the Fiscal 2005 budget resolution. House Majority Leader Tom DeLay (R-Tex.) endorsed the budget plan brought forward by Budget Committee chairman Jim Nussle (R-Ia.), calling it a “transparent and honest” plan that provides the resources for defense and homeland security, freezes discretionary spending, and protects the economy and families from “snap-back tax hikes.” He predicted that the Democratic minority would be “hysterical in its advocacy of massive new taxes as an economic stimulus and new spending as means of cutting the deficit, and belligerent towards anyone who seeks to trim waste, fraud and abuse.”

Not surprisingly, the Democrats did not take kindly to either the GOP budget or DeLay’s accusations. Rep. John Spratt (S.C.), the ranking Democrat on the Budget Committee, told the House that the Democratic alternative would generate a lower deficit, and \$1.24 trillion less accumulated debt over the next ten years, than President Bush’s budget. Rep. David Obey (Wisc.), the ranking Democrat on the House Appropriations Committee, called the GOP plan “the greatest demonstration of fiscal and social irresponsibility” that he had ever seen. He noted that “in one generation, we have gone from the industrialized country with the smallest gap between rich and poor in the world, to the country with the largest,” and that the GOP budget would continue that trend.

The resolution now moves to conference committee, where the most contentious issue is likely to be the “pay-as-you-go” provision adopted by the Senate. This would enforce spending caps, such that any increases in spending in one area would have to be compensated by cuts in another. The

House Budget Committee passed separate legislation on “pay-go” when it marked up its resolution on March 17, but it only applies to spending, not to tax cuts, whereas the Senate provision covers both. Senate Majority Leader Bill Frist (R-Tenn.) told reporters, on March 30, that he hoped the conference “will present a position that pays respect to both sides of the aisle, both sides of the Capitol, recognizing that they’re different.” The infighting on the pay-go rule, which most Democrats support, will mostly be among Republicans, some of whom are worried enough about ballooning deficits that they are willing to put tax cuts on the table.

Senate GOP Blocks Vote on Overtime Pay

On March 24, Senate Majority Leader Bill Frist (R-Tenn.) pulled a bill from the Senate floor in order to prevent a vote on an amendment to overturn new Department of Labor regulations on overtime pay. The Senate had only been making slow progress on the bill, which had been under consideration since March 3, even though both sides professed support for it. Dubbed the “Jumpstarting Our Business Strength Act,” it would make changes to U.S. tax law to comply with rulings of the World Trade Organization. Supporters of the bill argue that it is necessary to preserve jobs, especially in manufacturing.

However, the GOP reacted badly to the overtime amendment, possibly under pressure from the White House, which had pulled out all the stops, in January 2003, to make sure that similar language would not remain in the fiscal 2004 omnibus appropriations bill, even though it was voted up by both Houses. The Democrats, arguing

that the new overtime rules will take overtime pay away from some 8 million workers currently eligible for it, demanded a vote on their amendment, even offering to limit debate on it to ten minutes on each side, and the Republicans responded by filing cloture. The cloture vote failed 51 to 47.

After the cloture vote, Sen. Harry Reid (D-Nev.) said, “The fact is the majority didn’t want to vote on overtime.” He later said that “we recognize that we also have an obligation to 8 million working men and women in this country, and we are going to do everything we can to make sure that we have the ability to vote on it.”

An angry Sen. Orin Hatch (R-Utah) denounced the Democrats for playing Presidential politics. “This is a cheap vote” for the Democrats, he said, “because they do not care what the Department of Labor does, as long as it is more and more regulatory in favor of the trade union movement.” He charged the Democrats with blocking a bill “that would create jobs” that are now being lost because of European tariffs on U.S. manufactured goods.

Senate Democrats blast Iraq Policy, Chalabi

A delegation of Senate Democrats, led by Carl Levin (Mich.), called for UN involvement in reaching a political settlement in Iraq. Levin told reporters on March 18, reporting back from a just-concluded trip to Iraq, that “UN involvement is essential to getting the support of the Iraqi communities . . . because of the international pressure which the United Nations involvement would bring to bear on those three communities, to try to reach a settlement. . . .” This means, he said, making the UN a full partner in the

process, “and that means we’re going to have to give up some of the political power and the political clout that we have, to involve the international community.”

The delegation, which also included Senators Jay Rockefeller (W.V.), Jack Reed (R.I.), and Jeff Bingman (N.M.), emphasized the importance of bringing the Sunni population of Iraq back into the process, something which, they say, has been obstructed by the presence of Ahmed Chalabi on the Iraqi Governing Council. Rockefeller commented that he found it “incomprehensible that Chalabi is in charge of de-Ba’athification”—in other words, “who makes it and who doesn’t.” Bingman called him “the most divisive individual in Iraq” and his presence “does not inspire confidence, certainly, among the Sunni community, and, indeed, among many others.” He added that the process “is seen by the Sunni community as a way to suppress them. . . . As a result, there are thousands of teachers who can’t teach, thousands of professionals that can’t participate in the economic and social life of Iraq.”

Daschle May Block Judicial Nominations

The partisan war in the Senate over judicial nominations got hotter, on March 26, when Minority Leader Tom Daschle (D-S.D.) vowed to block all of the Bush Administration’s pending judicial nominations, unless the White House promises not to make any more recess appointments. The two recess appointments that President Bush has made so far, Mississippi Judge Charles Pickering, Sr. and Alabama Attorney General William Pryor, had been blocked in the Senate by Democratic filibusters. Daschle reportedly had the

nearly unanimous support of the Democratic caucus to issue the threat, after he tried to take up the matter with Majority Leader Bill Frist (R-Tenn.), from whom no assurances were forthcoming.

Daschle told reporters on March 30, “we will not be able to move on the confirmation of judges until we are given the assurance that they will not recess appoint future judges, especially judges that have been rejected by the Senate.” He said that such a practice is “an abuse of the institutional prerogatives of the Senate, and we just can’t accept that.”

Frist responded by accusing the Democrats of partisan obstructionism. He said that most of the 22 nominations that are pending are for positions where there are judicial emergencies, where caseloads are stacked up very high. He complained that the Democrats, in demanding that the President “needs to give up that Constitutional right to make recess appointments” before any of the 22 nominations can be moved, is nothing but “clear-cut obstruction,” which “can’t be tolerated.”

Scandal Over Medicare Reform Bill Intensifies

The repercussions of a three-hour vote to pass the Medicare reform bill, late last year, are still being felt in the House of Representatives, and are now threatening to become a full-blown scandal. The House Ethics Committee has finally begun an investigation into claims by Rep. Nick Smith (R-Mich.) that he was bribed and/or threatened by the GOP leadership on the floor of the House, to change his vote from “nay” to “yea” on the bill, helping to provide its very narrow margin of victory.

Secondly, House Democrats are

beginning to pursue charges that the chief actuary of the Department of Health and Human Services, Richard S. Foster, was threatened with being fired if he revealed that the actual projected costs of the prescription drug benefit in the bill were one-third higher than the \$400 billion that was being advertised.

On March 18, Rep. Henry Waxman (D-Calif.) the ranking Democrat on the House Government Reform Committee, wrote to that committee’s chairman, Tom Davis (R-Va.) asking for a hearing on whether or not officials of the Bush Administration violated existing law by preventing Foster from disclosing to Congress his estimates of the costs of the prescription drug program. Waxman wrote that if the allegations are true, “the withholding of the Medicare cost estimates are an inexcusable breach of the public trust.” Furthermore, the Bush Administration was, in effect, “asking Congress to vote on enormously significant changes to Medicare, while withholding key information about what these changes would actually cost.”

Senate Democrats added fuel to that fire, on March 24, when Frank Lautenberg (N.J.) sent a letter, also signed by Senators Edward M. Kennedy (Mass.), Debbie Stabenow (Mich.), and Hilary Clinton (N.Y.), requesting a Justice Department investigation of the matter. “Serious crimes may have been committed by Bush Administration officials,” Lautenberg said in a statement, “in their efforts to hide the real cost of their Medicare prescription drug bill.” The same day, Foster testified to the House Ways and Means Committee that then-Medicare administrator Thomas Scully told him not to provide the actual cost estimates to the Congress. “I considered that inappropriate and, in fact, unethical,” he said.